

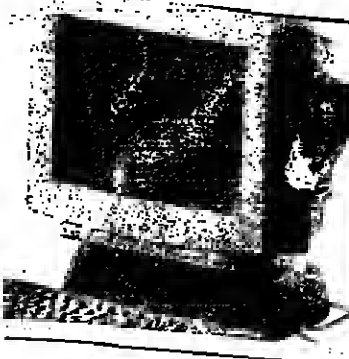


# THE INDEPENDENT

Nº 3,295

TUESDAY 13 MAY 1997

WEATHER: Sunshine and showers (IR45p) 40p



**INSIDE THE TABLOID**  
**NETWORK+**  
HOW TO TALK TO  
A COMPUTER



**IN THE TABLOID**  
**HRT: A YOUNG**  
**WOMAN'S**  
**STORY**



**COMMENT PAGE 15**  
**DISNEY**  
**AND**  
**THE BEAST**

## Britain's mission possible

**Anthony Bevins**  
Political Editor

Strong support for human rights and a rejection of Conservative isolationism were yesterday laid down by Robin Cook, the Foreign Secretary as he took British foreign policy into a new era. Flanked by his new ministerial team, Mr Cook told a press conference: "Our foreign policy must have an ethical dimension and must support the demands of other peoples for the democratic rights on which we insist for ourselves."

"The Labour Government will put human rights at the heart of our foreign policy and will publish an annual report on our work in promoting human rights abroad."

The Foreign Secretary said that would include efforts to clamp down on the exploitation of child labour, by international agreement with individual countries like India and through multilateral trade agreements – and through tough economic sanctions against brutal regimes like Nigeria.

As for the arms trade, Mr Cook said that although Britain was one of the Big Four arms-trading nations, the Government would not allow the sale of arms for internal repression or external aggression, and when an embargo was put in place, every effort would be made to ensure that other countries did not step in to provide alternative sources of supply.

Mr Cook has already heralded a "fresh start" in relations with the European Union, but he said yesterday that he wanted to reverse "the Tory trend toward neo-isolationism."

The Foreign Secretary's message – backed up by a David Puttnam video to be sent out to more than 200 foreign posts – caused embarrassment around Whitehall, because it caught other departments unprepared.

Unveiling his Foreign Office "mission statement", Mr Cook said: "Every modern business starts with a mission statement that sets clear objectives."

"New Labour is determined to bring a businesslike approach to government and today, only 10 days into our term of office,



New arena: Robin Cook, the Foreign Secretary, and his ministerial team in the Locarno Room in the Foreign Office yesterday. Photograph: Peter Macdiarmid

I am launching a new mission statement for the Foreign and Commonwealth Office."

But there was little sign of other government departments following Mr Cook's businesslike approach.

Although Gordon Brown, Chancellor of the Exchequer, went to the Treasury with a new mission statement already drafted, including the basic commitment to high and stable levels of growth and employment, a number of departments were nonplussed last night

by questions about their statements.

Labour ministers have inherited existing aims and objectives left by their Tory predecessors. Under the Tories, the Foreign Office's "Mission" had been: "To enhance the security of the United Kingdom and the dependent Territories, to promote their prosperity and protect British interests and influence overseas, and to protect British nationals abroad."

The Foreign and Commonwealth Office is to promote the national interests of the United Kingdom and to contribute to a strong world community.

It would be pursued to secure four benefits: security and prosperity, as well as "mutual respect", which included spreading the values of human rights and civil liberties; and "quality of life", which included a commitment to "work with others to protect the world's environment and to counter the menace of drugs, terrorism and crime."

The only notable difference between the wording of the Tory and Labour statements was the omission of the "transatlantic relationship" in Mr Cook's new mission statement.

But he told the press conference: "Britain will be a more valuable and more valued ally of America if we do actually emerge as a leading partner within Europe, because a Britain which does not have influence in Europe will be of less interest to Washington."

The Foreign Secretary's "mission" section on relations with Europe dealt with enlargement of the EU and completion of the single market, there was no mention of economic and monetary union.

John Redwood, one of the challengers for the Conservative leadership, said: "He [Mr Cook] tells us that Britain will now be leading in Europe. Yet all he has done is to surrender more of our rights to self-government."

Leading article, page 13

## Or a graveyard of good intent?

**Rupert Cornwell**

It was the day New Labour stormed the stuffiest citadel of Whitehall, turning the marble and chandeliered splendour of the Locarno Rooms at the Foreign Office into Blackpool's Winter Gardens. And Robin Cook's mission statement could have been an October conference keynote, full of splendid promises untested by sordid economic and political reality.

Take the "ethical dimension" the Foreign Secretary insisted that Britain, that supreme pragmatist among nations, must henceforth give its foreign policy – as a beaming Tony Blair and a beaming Nelson Mandela looked down from the video screen behind him.

"The national interest cannot be defined only by narrow realism," Mr Cook declared, nor could "political values be left behind when we check in our passports to travel on diplomatic business."

But will the Government really put its money where its mouth is, meting out economic punishment to regimes with dubious human rights records – if that means losing business to less squeamish competitors?

The most obvious area of tension is arms exports, where Britain currently ranks only behind the United States. Ideally, ostracism would be global. But nothing leaks like sanctions where multi-million dollar orders are at stake.

So how will Mr Cook's noble goal square with protecting the 200,000 British jobs that depend on the arms industry, especially when component number two of the Foreign Office's stated mission (behind only global security) is to help exports and jobs at home? Yesterday's answer was less than convincing. Precisely because its defence industry was so strong, he argued, Britain had a responsibility in

regulating the arms trade. And will Britain help the "child slaves" in south Asian sweatshops, if that means pushing up the price of playground footballs here, or bar cheap consumer goods from China, if they are manufactured by prisoners or political detainees?

Mr Cook sidestepped some other uncomfortable questions too, among them the precise nature of that much-touted "leading role in Europe" alongside France and Germany. Yes, of course Labour's tone has changed, but exactly where would a nicer but nonetheless Euro-shy Britain lead its part-



ners? Federalism was waning in Europe, he answered.

Still his performance was a polished and seamless as the video presentation about the "Fresh Start for Britain" which had gone before. Sitting alongside the four junior ministers on the rostrum was the Permanent Under-Secretary Sir John Cokes, the FO's top civil servant. As the show progressed, his face betrayed no emotion. Simple professional restraint, or silent recognition that, with the best will in the world, diplomacy, like life, can be a graveyard of good intentions

YING  
R YOUR  
NCE?

## Clergy take to the catwalk

**Claire Garner**

It is the Spring/Summer '97 Cleric Collection. In Britain's first fashion show for church ministers, men and women of the cloth will be strutting their stuff on the catwalk and spreading the word that God and fashion go well together.

Ten clerics have been selected to model multi-coloured designer cassocks, stoles and copes at the 13th National Christian Resources Exhibition at Sandown Park, in Esher, Surrey, next Tuesday. The outfits, by leading textile designers, reinterpret traditional symbolism and colours in a range of modern styles.

The Rev Andrew Roberts, a Methodist minister for Kingswinford and Worsley churches, in the West Midlands, will be making his modelling debut. The 33-year-old will be sporting his £550 "dream suit", designed by Juliet Henningway.

"Nobody else could wear my suit because it's made to measure – much to my wife's delight," he said. "She thinks it's quite fun being married to a male model now."

Ms Henningway, who made the enthronement robes for the Archbishop of Canterbury, Dr George Carey, and a waistcoat for Sir Cliff Richard, began designing clerics' garb 17 years ago, when a friend asked her to brighten up his black preaching scarf. Her "textile approach to the parables" reflects the Victorians' colourful handstitched imagery of pomegranates, grapes and flames.

Mr Roberts' extravagant suit, with its lavish gold fish symbols on the shoulders, wins him many compliments. "People are pleasantly surprised when they turn up and see a trendy minister wearing all this garb," he said. "Someone not wearing three shades of grey, which to me seems to be a contradiction of God's creativity and life."

The Rev Mike Starkey, vicar of St John's Church in Finsbury Park, north London, and author of *Fashion & Style*, a book which asks "Is it a sin to look good?" believes church fashion is about to turn full circle. He anticipates a rejection of the recent trend for casually-dressed clergy and a return to the vibrant regalia of the past.

"Quite a lot of people, particularly evangelicals, have turned against the vestments in the last 20 years because they have seen them as pompous or formal," he said. "But now a new generation of younger evangelicals who are rebelling into tradition..."

The Rev Barbara Knight, 50, curate at St George's Parish in Norton, Hertfordshire, is one of two female models in the show. She will be donning garments designed by J&M Sewing of Newcastle.



Role model: The Rev Andrew Roberts dons his 'dream suit' in preparation for the clerics' show. Photograph: Keith Dobney

## The whisky galore merger

**Nigel Cole**  
City Correspondent

Two of Britain's leading drinks companies caught the stock market by surprise yesterday when they agreed a £20bn mega-merger that will create the world's largest spirits group.

The deal brings together Guinness and Grand Metropolitan to form a new company, GMG Brands. It will be the world's seventh largest food and drinks group, behind giants such as Coca-Cola, Pepsico and McDonald's. With a stock market value of £21bn, it will also be the United Kingdom's eighth largest company.

Hatched over a dinner between the two chairmen a month ago, the deal brings together a breathtaking collection of major brands which include Guinness's Bell's scotch whisky and Gordon's gin and Grand Met's Smirnoff vodka, J&B whisky and Bailey's liqueur.

It also unites Grand Met's food interests, which include the Burger King restaurants and Häagen Dazs ice cream, with Guinness's Brewing Worldwide, which produces the famous stout.

The new company confirmed that there would be around 2,000 job losses from its combined total of 85,000. However, it said these would be spread around the world with no single country bearing the brunt. The deal could signal a wave of mergers and takeovers in the

fragmented spirits industry which has been plagued by stagnant sales volumes and an inability to raise prices in mature markets in industrialised countries. Grand Met's chairman, George Bull, said: "Scale is critical to compete globally in these markets today. This is a win-win situation."

It could also lead to higher spirits prices, although both Guinness and Grand Metropolitan denied this yesterday. The Consumers' Association said it would be looking at the deal. The merger still has to be cleared by the European regulatory authorities.

GMG Brands will account for almost 10 per cent of world spirits sales, which total 2.2 billion cases. It will have a turnover of almost £13bn and profits of £2.2bn. Shareholders in the two groups will receive a special dividend of at least 60p per share as GMG Brands plans to return £2.4bn of cash to them.

The deal means the Guinness name will disappear as a corporate identity after nearly 250 years. Founded in Dublin in 1759 it changed its name to Guinness from Arthur Guinness & Sons in 1965. A year later it launched the controversial bid for United Distillers which subsequently led to the jailing of the then chairman, Ernest Saunders.

Shares in both companies rose yesterday as the City welcomed the merger. Full story, page 16  
Comment, page 17



**THE BROADSHEET**  
Business & City 16-19  
Shares 19  
Comment 13-15  
Crossword 24

Essay 14  
Foreign News 9-11  
Gazette 12  
Home News 2-8  
Leading article 13

Letters 12  
Obituaries 13  
Sports 21-24  
NETWORK + TABLOID  
Arts Reviews 11

Arts 4-7  
Concise Crossword 14  
Listings 12,13  
TV & Radio 15,16  
Weather 14

**QUICKLY**  
Independent schools up  
Pupil numbers in independent schools have shown the biggest rise for a decade as economic confidence returns. Page 3

YOU CAN  
WITH A NISSAN

"A superb  
driver's car  
that's as good on  
mountain passes  
as it is on  
the motorway."

(CHRIS BONNINGTON  
EAT YOUR HEART OUT.)

IT'S A DRIVER'S CAR. SO DRIVE IT.  
**THE NEW PRIMERA**

FOR MORE INFORMATION TELEPHONE 0345 66 99 66



## news

## significant shorts

## Director of homes for the disabled guilty of neglect

A director of two private homes for mentally disabled people was yesterday convicted of wilfully neglecting residents in her care.

Angela Rowe, 39, was found guilty of wilful neglect by denying adequate toiletries and rationing toilet paper. Kingston Crown Court had heard residents would sometimes have to use curtains to wipe themselves when the toilet paper ran out.

Rowe, of Windsor, Berkshire, faces two further counts of ill-treating patients at Stoke Place, Mansion House and Stoke Green House in Stoke Poges, Buckinghamshire. The charges cover a 10-year period, from when the first home opened in 1983, to 1993.

The jury also convicted one of Rowe's senior care supervisors of ill-treating one of the mentally disabled residents. Lorraine Field, 42, of Stoke Poges, Buckinghamshire, was found guilty of repeatedly slapping Christopher Queffuroux, who was blind, across the back of his head as he covered in a chair.

Desmond Tully, 33, who now runs a home near Exeter, Devon, was found not guilty of one charge against him on Friday. He also faces three further counts of ill-treatment. The jury will return today to consider the eight outstanding charges. Judge John Baker had earlier directed them to find the defendants not guilty of another four charges of ill-treatment.

Louise Jury

## Angry fisherman block Sullom Voe

Fourteen small fishing boats yesterday blockaded the entrance to Europe's biggest oil terminal, Sullom Voe in Shetland, in protest over compensation for a huge oil spill.

Shetland Islands Council, the harbour authority for the terminal, said it would commence civil and criminal court actions against the shellfish boats if they did not depart today and allow the free passage of supertankers. The boats' crews and skippers are angry about the ending of compensation payments 20 months ago by the International Oil Pollution Compensation Fund.

Their livelihoods are still harmed by restrictions on catching shellfish in waters off western Shetland, due to oil pollution from the wreck of the tanker *Baner* four years ago. Sullom Voe played no part in that oil spill, when the tanker, sailing from Norway drifted on to cliffs and lost her cargo of crude.

Nicholas Schoon

## Filming to start on Elizabeth I epic



An £18m film charting the early life of Elizabeth I will start filming in Britain in August, it was announced today.

The film, *Elizabeth I*, will be made by Working Title Films, the same company that made *Four Weddings and a Funeral* and the Oscar-winning *Fargo*. It will be released in autumn 1998 with a major international actress in the central role.

No decision has yet been made on who will play the virgin queen, but Britain's Kate Winslet (pictured) is a possible contender. Filming will take place at locations throughout Britain, including Hampton Court, the Tower of London and possibly Haver Castle in Kent.

Tina Evans, co-chairman of Working Title Films will produce the film, which will be directed by Shashar Kapur, who also directed *The Bandits Queen*.

## Jumbo door fault at 21,000 feet

Alarmed cabin crew persuaded a British Airways captain to return to Gatwick airport after a faulty door on a jumbo jet started to move towards the open position at 21,000ft, it was revealed today.

Cabin crew members had to hold on to the door handle as the captain guided the Boeing 747, with 306 passengers on board, safely back, an Air Accidents Investigation Branch report said.

The flight crew knew there was a problem with the door but engineers had cleared it before the flight on 2 November, 1996. But the door handle was seen to rotate after take-off and cabin crew struggled to keep it in the closed position. The aircraft dumped 46 tonnes of fuel and landed safely. BA said yesterday: "At no time were any passengers or crew in any danger and the inherent design of the door prevents its opening in flight."

## Man charged over takeaway murder

A Turkish man appeared in court in Chelmsford, Essex, yesterday, charged with murder after a man's body was found in a derelict takeaway restaurant in Maldon. Vedat Kayretli, 24, was remanded in custody for four weeks and ordered to appear before Chelmsford magistrates on 9 June. He is accused of murdering Fevzi Demir, 35, between 15 September last year and 21 April.

## Inquiry into deaths of elderly in care

Police are carrying out an inquiry into the death of five elderly nursing home patients, it was confirmed last night.

It followed complaints over alleged mistreatment and neglect against staff at the private Forebank Nursing Home in Dundee.

The inquiry into the home, owned by millionaire businessman Peter Marr, is at the request of the procurator fiscal.

A spokesman for Tayside Police said: "Inquiries are being conducted at the request of the procurator fiscal concerning several complaints received regarding the treatment of residents within the Forebank Nursing Home."

## people



Atil Nadir: The former Polly Peck chief tells Roger Cook of his plans (Photograph: Carlton)

## Nadir vows to return and fight to clear his name

Fugitive financier Atil Nadir is due to launch a court action this week against the Serious Fraud Office, claiming a breach of legal process.

The former boss of the collapsed Polly Peck International conglomerate says his lawyers will seek compensation from British authorities for millions of dollars in company shares he claims he lost during the seven years since investigations against him began.

A successful action by Mr Nadir would lead the avowed open for other Polly Peck shareholders to sue the SFO and other law agencies for their losses.

In an interview with the ITV programme *The Cook Report*, Mr Nadir also maintained he is prepared to return to this country to clear his name.

He is making his legal move following the successful appeal against conviction of his former adviser, Elizabeth Forsyth, two months ago. Mrs Forsyth is said to have returned voluntarily from Cyprus in 1994, as a "sinking horse". The theory was that if she walked free, Mr Nadir would return to London.

He had fled to Northern Cyprus, with which the UK has no extradition treaty, in May 1993, after a two-and-a-half-year SFO investigation resulted in charges that he had stolen £30m from Polly Peck and had taken part in false accounting.

Mr Nadir is said to be much encouraged by the Court of Appeal ruling. He has instructed his solicitor, Peter Knight, of the London firm Vizards, to institute proceedings.

The action is expected to hinge on four sets of allegations. One is that Mr Nadir's defence papers were removed during raids on his premises by the SFO. These papers were then passed on to various law agencies, thus compromising his defence.

It is also alleged that Michael Francis, a police informer with a conviction for attempted murder, and a timeshare saleswoman, Wendy Welshe, were employed by police and the SFO to discredit Mr Nadir by implicating him in a fake "plot" to bribe the trial judge, Mr Justice Tucker.

Mr Nadir's lawyers are also expected to claim that the businessman would not get a fair trial because of the deluge of publicity over the case. Kim Sengupta

## Swimmer makes crossing from Cuba to Florida

Exhausted but beaming, Susie Maroney, a 22-year-old Australian, last night stepped ashore at Key West, on the southernmost tip of the US, after becoming at least the first woman to swim the Florida Straits from Cuba.

She and her back-up team say she is the first person to make the crossing, but some record books say a man called Walter Poesch did it nearly 20 years ago.

Swimming inside a floating anti-shark cage, towed by a boat, Maroney crossed the treacherous waters, one of the world's great swimming challenges, in 25 hours, far less than the 40 hours she had predicted. Southerly winds picked up her speed.

Havana, where she plunged from the Malecon promenade (right) in front of bemused Cubans more accustomed to seeing their countrymen flee on rafts, is just over 90 miles from Key West. But the Australian probably swam more than 100 miles because of winds and currents.

After swimming the last 200 yards outside her cage, Maroney was helped ashore in front of a small group of applauding tourists. "Welcome to America," she said. "I'm really happy. It's a dream I've always had," she said.

Her next plan? "Just a rest." But she is expected to tackle the 30-mile swim around New York's Manhattan Island.

Phil Davison, Miami



Relatives and aides in the boat towing her cage said they had used satellite photos and infrared images to select the best route. Even the anti-shark cage was state of the art.

During her last attempt at the Straits last June, Maroney, Australia's long-distance swimming champion, was thrown against the cage, injuring her arms and wrists. She opted to swim outside the cage for 10 hours on that occasion but this time her aides advised her to stay inside after seeing two curious sharks approach.

She gave up last year's attempt 12 miles short of the Florida Keys. Yesterday, she made it, after treading water every five hours to drink high-protein, superhydrating drinks and nibble on baby food, yoghurt and crushed bananas.

Phil Davison, Miami

## Walker killed by lightning strike

A young man was killed by lightning as he and his girlfriend took a stroll at a cliff-top beauty spot.

Stewart Ibbotson, 22, of Horsforth, Leeds, died instantly when a violent storm erupted. Julia Wright, his 24-year-old girlfriend, was blown off her feet and suffered burns to her face and legs.

The couple tried to dodge the showers during a day out at Flamborough Head, near Bridlington, East Yorkshire, but had nowhere to shelter when the storm struck on Sunday night.

A large crowd of walkers on the cliff-top, between the lighthouse and a fog signalling station, went to the couple's aid, but were unable to help.

The Humberside Police helicopter was called in to lift Miss Wright to Hull Royal Infirmary. She was transferred to the Kingston General Hospital, Hull and was said to be in a "comfortable" condition yesterday.

Chief Insp Colin Fleming of Humberside Police said: "This was a tragic event. They could not have known that the weather was going to change so quickly."

The area they were walking in is extremely exposed on the cliff-top. It had been overcast all day and suddenly a violent storm broke out for a short period.

"The area is very popular with day visitors and a large crowd began to gather very quickly. But there was nothing anyone could do."

Glenda Cooper

## briefing

## FINANCE

## Customers benefit from rise of 'branchless bank'

The rise of the "branchless bank" has benefited most customers and retailers, such as supermarkets, who have entered the financial market, according to a new report.

Nearly one in five branches disappeared between 1989 and 1995. Banks and building societies have been reducing the number of branches since the mid 1980s, although the process accelerated in the early-1990s recession.

"At-a-distance" banking has brought many benefits to customers, researchers from Bristol University found. For example, telephone banking is convenient and accessible, and lower operating costs mean such banks are able to offer highly competitive rates of interest.

But low-income families have suffered because of this. The study, funded by the Economic and Social Research Council, found that closures were more likely to happen in poorer areas, whereas the more affluent were more likely to keep their local branches.

Moreover, because of their low incomes, and where they live, such people are more likely to be subject to exclusion by the credit-scoring systems - which look at things such as income level, how your account is run, bad debts - and increasingly used by banks and building societies to determine who are "good" and "bad" customers.

Such systems are substituting for the judgement of local branch managers, who used to use their day-to-day knowledge to determine who was a good or a bad risk.

Glenda Cooper

## TRANSPORT

## Child seat danger revealed

More than half (54 per cent) of child car seats are incorrectly fitted and 90 per cent of deaths and injuries could be avoided if the seats were used correctly, according to figures from the RAC.

A campaign to highlight the dangers of incorrectly fitted or wrongly used car seats was launched yesterday by the supermarket chain Sainsbury's, Mother and Baby magazine and child car seat manufacturer Britax.

A survey in June's issue of *Mother and Baby* claims that 96 per cent of readers want more done to help parents fit seats correctly.

"Children these days travel nearly everywhere by car, with the average child clocking up about 4,000 miles per year," said a spokeswoman for the campaign.

"This initiative aims to improve on the RAC's frightening statistics."



## LEISURE

## Not enough spending on fun

Council spending on "fun" has increased - but not by enough, according to the Chartered Institute of Public Finance and Accountancy.

While there was an increase of 2.29 per cent in net expenditure per head on leisure and recreation services, CIPFA says this was "barely sufficient" to keep up with inflation.

The biggest individual area of spending was on indoor sport, which accounted for more than a third, followed by outdoor sport (22.2 per cent) and arts (17.1 per cent).

The distribution varies, with county councils placing more emphasis on funding arts activities (spending 33 per cent), compared with district councils, which spend 63 per cent of their total expenditure on funding sports, both indoor and outdoor.

Wales spends the most per head - £38.19 - although this is down by £2.72, followed by London, which spends £35.22. Metropolitan areas spend £29.55 and English shire counties and districts spend £28.29 per head.

Glenda Cooper

## HEALTH

## Doctors ill-equipped to treat ME

Almost all family doctors now recognise the reality of Chronic Fatigue Syndrome, but few are said to offer sufferers any helpful advice.

A survey for the support group Action on ME, published yesterday, showed that 96 per cent of GPs accepted that CFS existed. But only 33 per cent are able to give patients any advice on coping with its debilitating symptoms.

Action on ME said the problem was that doctors did not receive proper training about the condition.

CFS, also known as Myalgic Encephalomyelitis or ME, causes long periods of weakness and lethargy which in extreme cases can leave victims bedridden. Sufferers also complain of headaches, aching muscles, sleep disturbance and depression.

The survey also showed that 94 per cent of CFS sufferers are forced to give up work.

More than 60 per cent benefit from alternative therapies, the most popular being aromatherapy, massage, acupuncture, homeopathy, meditation and yoga.

Action for ME estimates there are more than 150,000 sufferers in Britain.

## THE INDEPENDENT ABROAD

Austria	£4.40	France	£15.00
Belgium	£4.40	Germany	£14.90
Canada	£4.40	Italy	£14.90
Cyprus	£4.40	Japan	£14.90
Denmark	£4.40	Norway	£14.90
Finland	£4.40	Portugal	£14.90
France	£4.40	Spain	£14.90
Germany	£4.40	Sweden	£14.90
Greece	£4.40	Switzerland	£14.90
Italy	£4.40	USA	£14.90
Japan	£4.40		
Norway	£4.40		
Portugal	£4.40		
Spain	£4.40		
Sweden	£4.40		
Switzerland	£4.40		
USA	£4.40		

OVERSEAS SUBSCRIPTIONS
By mail, 12 weeks: Europe £110.70; Zone 1 (Middle East, Africa, Asia and India) £134.00; Zone 2 (Far East and Australasia) £206.70. To order, please send cheque payable to The Independent Newspapers Ltd to 43 Mill Lane, London E14 3PE or telephone 0171-538 8288. Credit cards welcome.
BACK ISSUES
Back issues of the Independent are available from: Historic Newspapers, telephone 01988 240370.

# ORGANISED

...BECAUSE DIRECT DEBIT IS THE EASIEST WAY TO BUDGET YOUR BILLS AND IF AN AMOUNT OR DATE OF A DD SHOULD EVER CHANGE, YOU'LL BE NOTIFIED WELL IN ADVANCE.

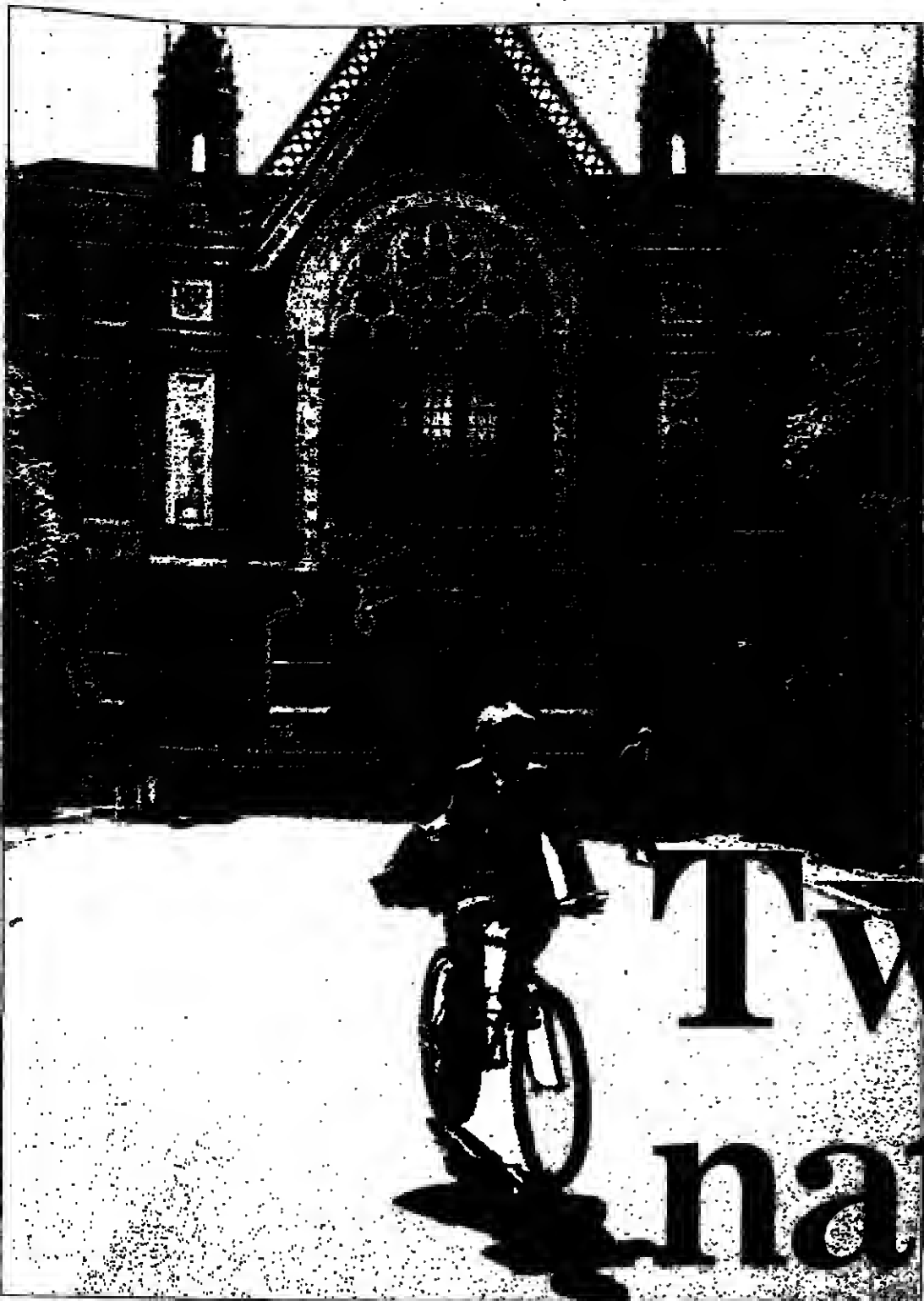
UK BANKS AND BUILDING SOCIETIES

## DIRECT Debit

DD YOUR DOUGH

هكذا من الامم

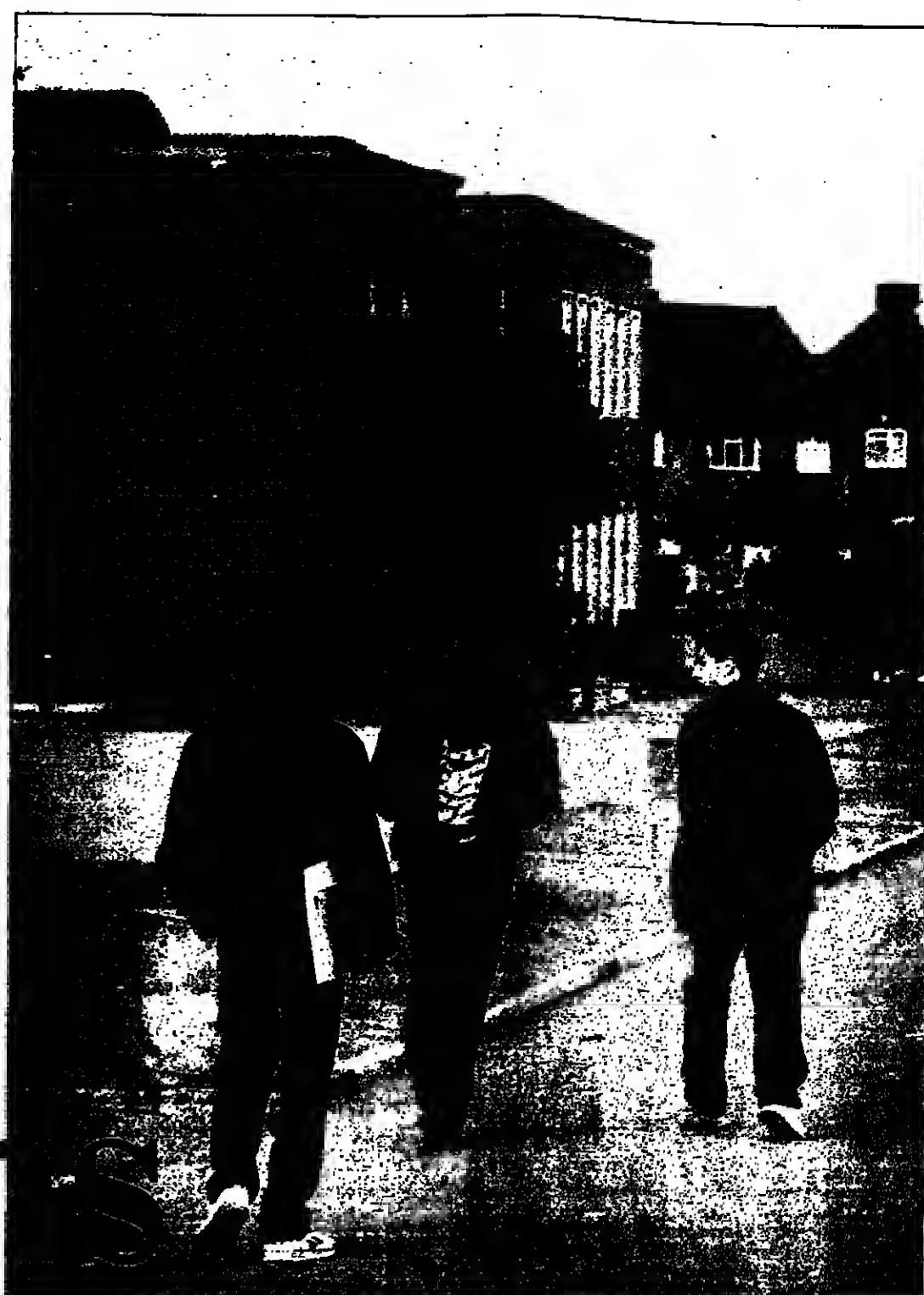




Dulwich College: 'Very interested in co-operation with the public sector' Photographs: Peter Macdiarmid

Independent schools are booming as never before while some state-run schools sink irrecoverably. Labour's top priority is how to bridge what it calls educational apartheid

## Two nations



Ashburton School: 'There are some problems for which you can't blame staff or pupils - like architecture'



The number of pupils in independent schools has shown its biggest increase for a decade as confidence in the economy returns.

As the Government prepares to abolish the assisted places scheme which helps bright children from poor families attend fee-paying schools, figures released yesterday reveal a 1.7 per cent rise.

The Independent Schools Information Service (Isis) which collects data for 80 per cent of fee-paying schools said there were 473,816 pupils in its schools in January - a rise of 7,600 on the previous year and amounting to 8 per cent of the school population.

There was an increase of more than 11 per cent in pupils on assisted places - up to 37,183 - after the Conservative government's decision to extend the scheme to primary pupils.

Overall, the highest increases were among the youngest pupils: numbers in secondary schools fell by 0.4 per cent while those for nursery schools went up by 6.3 per cent and primary by 3.3 per cent.

The number of pupils from abroad increased by 9 per cent. Boarding numbers continue

### The private sector success

to decline but the fall seems to be slowing, particularly among girls.

The overall increases were achieved despite a average rise in fees of 5.2 per cent, up slightly on the previous year. Average fees are now £1,533 a term

back to the time when the Greater London Council paid for 80 per cent of the boys.

They were looking for alternatives to the scheme. He added: "We will do everything we can to maintain the socio-economic catchment of the

### Independent schools are in a strong position to withstand any pressure from the Government

for day pupils. Nearly a third of pupils receive some form of help with fees, mostly from the schools themselves.

Isis argues that many schools with assisted places are heavily over-subscribed and will have little difficulty finding fee-paying pupils to fill their places.

Graham Able, head of Dulwich College, in south London (fees for day pupils £1,995 a term), which has 270 out of 1,400 pupils on assisted places, said the school hoped to maintain a tradition which went

school. It makes for a better education for every boy who comes here that we have people from a wide variety of backgrounds.

"We would be very interested in ways in which we could co-operate with the public sector without affecting our independent status."

The school already hosts a Saturday school for bright state primary pupils, funded by a charity, at which members of the school's staff teach for a small honorarium.

Independent school heads

said they would protest to the Government about its plans to withdraw funding from preparatory school pupils on assisted places when they leave for senior schools at the age of 11 or 13.

Michael Mavor, head of Rugby School and chairman of the Headmasters' and Headmistresses' Conference, said the schools were interested in opening up their facilities to state school pupils, for example for specialist language teaching or Oxbridge tuition.

He said: "If schools are shut off from their local community but are absolutely thriving there is something wrong because it isn't related to the real world."

"But if you are running a school for fee-paying parents you can't make everything they pay for available to the local community. There is a balance to be struck here."

David Woodhead, director of Isis, said: "Parents are voting with their children for independent education in big numbers."

"Independent schools are in a strong position to withstand any pressure which may come from a Labour government."

Judith Judd



Failing schools need support rather than criticism if they are to reverse their spiral of decline, according to the head of one school on Labour's list of institutions which require "special measures".

George Varnava was appointed last December to oversee the recovery of Ashburton School in Croydon, south London, which was strongly criticised by inspectors in December 1995 and acquired the dreaded "failing" label six months later.

After the wave of bad publicity and loss of local confidence generated by the inspection report, the school is attempting to go "back up the spiral the other way", the head says. A series of interim inspections have charted some improvements, but as one of the longer-stayers on the failing list Ashburton will be all too aware of the new government's pledge to close schools which do not improve fast enough.

Planned legislation to be outlined in tomorrow's Queen's Speech would give the Secretary of State for Education and Employment powers to close persistently failing schools over the heads of local education

### The failing state school

authorities. They could then be reopened on the same site with a new head and some new staff.

Two terms at the helm have underlined for Mr Varnava, a former president of the National Association of Head Teachers brought in to manage Ashburton

habit of slipping out of school during the day.

Mr Varnava, arriving to find a school originally designed as a hospital, with stone-flagged floors, cut excess noise at a stroke by carpeting the corridors, while a new fence on the

### There are some problems in individual schools for which you can't blame the staff or pupils

until a new head takes over in September, that simply heaping blame on a school will not help its recovery. He also insists that - whatever ministers may believe - there is no magic formula in setting a school back on the pathway to success.

"A school is a community," he says, "it is not just about structures and therefore you can't apply a common formula to every school."

Among inspectors' criticisms of Ashburton were the boisterous behaviour of pupils between lessons and youngsters

school boundary has effectively discouraged escapees. He says: "There are some problems in individual schools for which you can't blame the staff or pupils, and architecture is one."

Less simple to resolve, however, were the problems of high exclusion rates at the 11-16 comprehensive. The new head expelled 11 pupils permanently and 35 temporarily in his first two months in charge, but hails as evidence of growing good order the fact that both numbers halved in March and April.

Implementation of a plan to improve Ashburton's academic and discipline record has run in parallel this year with efforts to improve the school's tarnished local image. Enrollment numbers fell last September to 120 from 180, and the local press has had a field day with stories of a staff training day trip to France and an incident in which a girl pupil singed another's hair with a cigarette lighter.

Matters came to a head when two local politicians at a public meeting on education admitted they would not send their children to Ashburton, prompting Mr Varnava to hit back with a press release stressing that the school belonged to its local community. Since then, local press coverage has grown more positive, culminating in an article last week suggesting Ashburton had "turned a corner".

The head, naturally, would agree, but insists the process is down to local solutions, not simple managerial formulae. "You can shut a school and open it again, change its name or its uniform but ultimately it is the same kids," he says. "What is important is trying to have a community school which serves its community."

Lucy Ward

### The Labour pledge: Funding for assisted places abolished

Labour's first education Bill will abolish the assisted places scheme and use the money saved to reduce class sizes for pupils aged five to seven. The cost of the scheme is £117m a year, due to rise to £180m. Pupils with assisted places will continue to be

funded until the end of the current phase of their education. Those in senior schools will be funded up to A-level, but those in preparatory schools will not receive funding when they move on to senior school. The Government is looking for ways to bring

state and independent schools closer together. A key passage in the Labour election manifesto makes clear the party's position: "The educational apartheid created by the public/private divide diminishes the whole education system."



David Blunkett: Committed to changing the system

### The Labour pledge: Fast track procedures to improve standards

New legislation to be proposed in tomorrow's Queen's Speech will give the Secretary of State for Education and Employment powers to replace the "hit squads", devised by the Tories to take over failing schools, with a new "fresh-start" policy under which schools

could be closed and reopened with a new head, new governors and new staff. The Government also proposes fast-track procedures for removing poor teachers. At present, only local education authorities can close schools, though ministers have indicated

that they intend to push LEAs to move faster to bring on failing schools not considered to be improving quickly enough.

## Bedside manner fails to impress doctors on call

Jeremy Laurence  
Health Editor

They do not feature in any medical text book, but every GP is familiar with them: the bizarre calls made in the small hours of the morning by patients who view their family doctor like the local pizza delivery man.

Despite efforts by medical organisations to deter trivial calls, patients persist in phoning their GP for advice ranging from the mundane to the highly personal, according to a survey.

Ooe 82-year-old woman called up Dr Thomas Abraham of Hull at dawn one morning complaining she had been awake since 4.30am seized with "an irresistible desire for sex". Wisely refusing to leave the security of his own bed, Dr Abraham offered her advice over the phone. He declined to visit

"for reasons of personal safety." Dr Timothy Woodman, from Gillingham, Kent, was called by a woman at 3am who wanted him to remove her sleeping daughter's contact lenses. He, too, declined to leave his bed.

A Birmingham GP told of being called on a Sunday evening for help with a crossword on the grounds that the answer was "a medical word", and another in Grays Thurrock, Essex, declined to visit a patient complaining of "excess wind".

The survey, by the medical magazine *Pulse*, also records the case of a woman who walked from her home in Horsham, Essex, to her GP's surgery - only to ask for a home visit as her phone was broken.

A British Medical Association spokeswoman said out-of-hours calls to GPs had risen fivefold over the past 20 years.

In less than three decades, the song thrush and many ooe-familiar species of British wildlife have fallen into severe decline.

Their habitats destroyed by intensive farming and their roles as natural pest controllers, soil improvers and recyclers replaced by a one-sided dependence on chemicals.

As a saver with Triodos Bank you can help turn the tide. For over 20 years our savers' money has been lent to businesses such as organic farms and food producers.

Sustainable, environment-friendly agriculture supporting a rich variety of wildlife. Triodos Bank, the positive choice.

Please send me more information about Triodos Bank savings accounts. No stamp required.

Mr/Mrs/Ms/Miss \_\_\_\_\_

Address \_\_\_\_\_

Postcode \_\_\_\_\_ Tel \_\_\_\_\_ 147

**Triodos @ Bank**  
The bank for ethical savers.

FREEPOST BS9292, BRISTOL BS8 3BR







# Victory for the jurors who couldn't decide

Patricia Wynn Davies  
Legal Affairs Editor

Two women jurors who were controversially jailed for refusing to reach a verdict in a counterfeiting trial were cleared by the Court of Appeal yesterday.

The court said Judge Anura Cooray, who jailed Bonnie Schot and Carol Barclay for 30 days, should never have presided at the contempt case against them, particularly in view of the "element of bias" and the anger he had shown at an earlier hearing.

Lord Justice Rose, sitting with Mr Justice Forbes and Mr Justice Keene, said the judge should have passed the case to another senior Crown Court judge or to the Attorney General, jailing the two women was "not appropriate". Lord Justice Rose said, adding that there was no previous record of instance of a juror being imprisoned for contempt.

John Perry QC, counsel for Ms Schot, 20, had told the three appeal judges that the secrets of the juryroom were immune from judicial scrutiny and that the judge had displayed "apparent bias" against his client after ordering the case they had been hearing, a £100,000 17-day counterfeiting prosecution, to be abandoned.



Not guilty: Carol Barclay, left, and Bonnie Schot

Although Ms Schot, the jury foreman, and Ms Barclay, 32, were released on bail the following day, Judge Cooray, 61, strongly defended his action, insisting that jurors had to recognise their responsibilities if the justice system was to be upheld.

The controversy began when Judge Cooray was passed a note from the jury saying that it was unable to reach any decisions owing to "some jurors' conscious [sic] beliefs. Please advise." The judge then demanded a more detailed explanation, and the names of the jurors concerned.

Ms Schot, who had been planning to study law, gave a different version of events later, when she insisted she had not found it possible to reach a conclusion on whether the defen-

dants were guilty or not guilty. It was Ms Barclay's case throughout that she was unable ethically to judge anyone, but had lacked the courage to say so when she was sworn in.

Stephen Solley QC, for Ms Barclay, said the jailing of the women sent "the wrong message and shock-waves to potential jurors up and down the land." Overbearing jurors might use the threat of exposure of a weak juror as a weapon to secure agreement, he warned.

David Pannick QC, appearing as *amicus curiae*, or "friend of the court", said it was a clear contempt for a juror to refuse to perform the task of giving a verdict, which meant that Ms Barclay was guilty of contempt. She was cleared yesterday, however, on natural justice grounds.

## ITV lobbies for regions

Paul McCann  
Media Correspondent

ITV kicked off a lobbying campaign yesterday aimed at persuading the new Labour government of its commitment to regional programme making.

The channel sent to MPs, MEPs and peers the results of a survey that found three-quarters of viewers believed ITV served their local interests better than the BBC.

The survey showed that 58

per cent of viewers preferred ITV's local news compared with just 39 per cent for the BBC. It also showed 59 per cent of viewers chose ITV's local arts and entertainment programmes compared with 22 per cent for the BBC. Leslie Hill, ITV's chairman, admitted that the report had been timed to follow the general election, but denied the channel was trying to cosy up to the Labour Party.

"This is quite a good time to be doing this," Mr Hill said.

"New Heritage Secretary Chris Smith has said he is keen to ensure regional programme making is protected. It is important that we make ourselves known. We spend £200m a year on regional programmes and regional news - which is a mind-boggling figure."

ITV has begun lobbying with an eye to next year's licence renegotiations. The 15 ITV licences will begin talks next year to reduce the £400m they pay annually to the Treasury.



Leader of the pack: Barry Humphries, who took to the stage last night as Fagin in *Oliver!* Photograph: Nicola Kurtz

## Dame Edna to pick a pocket or two

Dame Edna Everage's alter ego Barry Humphries yesterday returned to a role he last played 30 years ago - Fagin in the West End musical production of *Oliver!*

His arrival marks the fifth time in just three years that London Palladium bosses have been forced to repaint their billboards.

The man behind the outrageous antics of Dame Edna and the Australian cultural attaché, Les Patterson, has taken over the starring role from Robert Lindsay.

Lindsay himself followed Russ Abbott, Jim Dale and Jonathan Price as the leader of the Victorian gang of young pickpockets.

In the original production of *Oliver!* in 1960 Humphries, now 64, played the part of Mr Sowerberry, the undertaker.

He played Fagin when the show transferred to Broadway and his last appearance was in 1967, playing Fagin in a production at London's Piccadilly Theatre. Standing on the steps of the Loodon Palladium in Argyll Street, yesterday he said: "Look at me. I look like I should be selling a special edition of the *Big Issue*."

Gone was the familiar glitz of Dame Edna. Instead flowing locks of hair lay over his shoulders and he smiled a toothless grin as he posed with members of the child gang who also made their stage debut in *Oliver!* last night.

## Books for Better Health

Here is a new range of Books for Better Health. Over 100 different titles covering everyday health problems. All you have to do is simply tick the book(s) you want, complete the coupon below and return the whole of this announcement to the address shown. Postage and packaging included in the price.

- ☐ The Assertiveness Workbook - A plan for busy women... £5.99
- ☐ Beating the Comfort Trap... £5.99
- ☐ Birth Over Thirty-Five... £5.99
- ☐ Body Language - Read the thoughts of others by their gestures... £5.99
- ☐ Body Language in Relationships... £5.99
- ☐ Boost Your Metabolism... £5.99
- ☐ Calm Down - How to cope with frustration and anger... £4.99
- ☐ Cancer - A Family Affair... £5.99
- ☐ The Candida Diet Book... £5.99
- ☐ Caring for Your Elderly Parent... £5.99
- ☐ Caloric Irrigation... £4.99
- ☐ Comfort for Depression... £5.99
- ☐ Coping Successfully with Hay Fever... £5.99
- ☐ Coping Successfully with Migraine... £5.99
- ☐ Coping Successfully with Pain... £5.99
- ☐ Coping Successfully with Panic Attacks... £5.99
- ☐ Coping Successfully with PMS... £4.99
- ☐ Coping Successfully with Prostate Problems... £5.99
- ☐ Coping Successfully with Your Irritable Bladder... £5.99
- ☐ Coping Successfully with Your Irritable Bowel... £5.99
- ☐ Coping Successfully with Joint Replacement... £5.99
- ☐ Coping with Anxiety and Depression... £5.99
- ☐ Coping with Smoking... £5.99
- ☐ Coping with Breast Cancer... £5.99
- ☐ Coping with Bronchitis and Emphysema... £5.99
- ☐ Coping with Candida - Are yeast infections draining your energy?... £5.99

- ☐ Coping with Chronic Fatigue... £4.99
- ☐ Coping with Cystitis... £5.99
- ☐ Coping with Depression and Bloating... £5.99
- ☐ Coping with Excess... £4.99
- ☐ Coping with Endometriosis... £5.99
- ☐ Coping with Psoriasis... £5.99
- ☐ Coping with Schizophrenia... £5.99
- ☐ Coping with Stomach Ulcers... £5.99
- ☐ Coping with Throat... £5.99
- ☐ Coping with Thyroid Problems... £5.99
- ☐ Crunch Points for Couples... £5.99
- ☐ Curing Arthritis Diet Book... £4.99
- ☐ Curing Arthritis Exercise Book... £4.00
- ☐ Curing Arthritis - The Drug-Free Way... £5.99
- ☐ Curing Arthritis - More ways to a drug-free life... £4.99
- ☐ Curing Coughs, Colds and Flu - The Drug-Free Way... £4.99
- ☐ Depression - Why it happens and how to overcome it... £4.99
- ☐ Divorce and Separation - Every woman's Guide to a New Life... £5.99
- ☐ Everything Parents Should Know About Drugs... £5.99
- ☐ Gambling - A Family Affair... £5.99
- ☐ The Good Stress Guide... £5.99
- ☐ Heart Attacks - Prevent and Survive... £5.99
- ☐ Helping Children Cope with Bullying... £5.99
- ☐ Helping Children Cope with Grief - Facing a death in the family... £5.99
- ☐ Helping Children Cope with Stomach... £5.99
- ☐ Hold your Head Up High... £5.99
- ☐ How to be your own best friend... £5.99

- ☐ How to Cope When the Going Gets Tough... £5.99
- ☐ How to Cope with Bulimia... £5.99
- ☐ How to Cope with Difficult Parents... £5.99
- ☐ How to Cope with Difficult People... £5.99
- ☐ How to Cope with Spelling Up... £5.99
- ☐ How to Cope with Stress... £5.99
- ☐ How to Enjoy Your Retirement... £5.99
- ☐ How to Improve your Confidence... £5.99
- ☐ How to Interview and be Interviewed... £5.99
- ☐ How to Love and be Loved... £5.99
- ☐ How to Pass Your Driving Test... £5.99
- ☐ How to Stand Up for Yourself... £5.99
- ☐ How to start a Conversation and Make Friends... £4.99
- ☐ How to Stick to a Diet... £4.99
- ☐ How to Stop Worrying... £5.99
- ☐ How to Untangle your Emotional Knots... £5.99
- ☐ How to Write a Successful CV... £5.99
- ☐ The Incredible Sulk... £4.99
- ☐ The Irritable Bowel Diet Book... £4.99
- ☐ The Irritable Bowel Stress Book... £4.99
- ☐ Is BIKT Right for You?... £5.99
- ☐ Jealousy - Why it happens and how to overcome it... £5.99
- ☐ Learning to Live with Multiple Sclerosis... £5.99

- ☐ Living with Angina... £5.99
- ☐ Living with Asthma... £5.99
- ☐ Living with Diabetes... £5.99
- ☐ Living with Grief... £5.99
- ☐ Living with High Blood Pressure... £5.99
- ☐ Making the Most of Yourself... £5.99
- ☐ Menopause A practical self-help guide for women... £5.99
- ☐ Migraine Diet Book... £4.99
- ☐ Motor Neurone Disease - A Family Affair... £5.99
- ☐ Out of Work - A Family Affair... £5.99
- ☐ Overcoming Anger - When anger helps and when it hurts... £5.99
- ☐ Overcoming Stress... £5.99
- ☐ The PMS Diet Book... £5.99
- ☐ Serious Mental Illness - A Family Affair... £5.99
- ☐ Stop Smoking - Self-hypnosis audio cassette... £5.99
- ☐ The Subfertility Handbook... £5.99
- ☐ Talking About Anorexia - How to cope with life without starving... £5.99
- ☐ Trim your Bum... £5.99
- ☐ Think Your Way to Happiness... £5.99
- ☐ 10 Steps to Positive Living... £5.99
- ☐ Understanding Obsessions and Compulsions - A self-help manual... £5.99
- ☐ Understanding Your Personality... £5.99
- ☐ Weight Control - Self-hypnosis audio cassette... £5.99

© 1997 Carnell Ltd, 26 Charles Square, London N1 6HT

To order, simply tick the book(s) you would like, complete the coupon below and return the whole of this announcement, along with your payment to Carnell Ltd, Dept SP, Main Road, Alresford, Colchester, Essex CO7 8AP

Please send me the \_\_\_\_\_ Books for Better Health ticked above.

I enclose payment of £ \_\_\_\_\_ as follows:

☐ I enclose a cheque/postal order, payable to Carnell Ltd

☐ Please charge my Visa/Master/Switch card as follows:

Card No. \_\_\_\_\_ Exp date \_\_\_\_\_ Issue No. \_\_\_\_\_

Name \_\_\_\_\_ Address \_\_\_\_\_

Post Code \_\_\_\_\_ Date \_\_\_\_\_ Signature \_\_\_\_\_

Share your order with 1 friend and 1 friend will receive 10% discount. The total to be paid for 2 books is £10.99. The total to be paid for 3 books is £16.47. The total to be paid for 4 books is £21.95. The total to be paid for 5 books is £27.43. The total to be paid for 6 books is £32.91. The total to be paid for 7 books is £38.39. The total to be paid for 8 books is £43.87. The total to be paid for 9 books is £49.35. The total to be paid for 10 books is £54.83. The total to be paid for 11 books is £60.31. The total to be paid for 12 books is £65.79. The total to be paid for 13 books is £71.27. The total to be paid for 14 books is £76.75. The total to be paid for 15 books is £82.23. The total to be paid for 16 books is £87.71. The total to be paid for 17 books is £93.19. The total to be paid for 18 books is £98.67. The total to be paid for 19 books is £104.15. The total to be paid for 20 books is £109.63. The total to be paid for 21 books is £115.11. The total to be paid for 22 books is £120.59. The total to be paid for 23 books is £126.07. The total to be paid for 24 books is £131.55. The total to be paid for 25 books is £137.03. The total to be paid for 26 books is £142.51. The total to be paid for 27 books is £147.99. The total to be paid for 28 books is £153.47. The total to be paid for 29 books is £158.95. The total to be paid for 30 books is £164.43. The total to be paid for 31 books is £169.91. The total to be paid for 32 books is £175.39. The total to be paid for 33 books is £180.87. The total to be paid for 34 books is £186.35. The total to be paid for 35 books is £191.83. The total to be paid for 36 books is £197.31. The total to be paid for 37 books is £202.79. The total to be paid for 38 books is £208.27. The total to be paid for 39 books is £213.75. The total to be paid for 40 books is £219.23. The total to be paid for 41 books is £224.71. The total to be paid for 42 books is £230.19. The total to be paid for 43 books is £235.67. The total to be paid for 44 books is £241.15. The total to be paid for 45 books is £246.63. The total to be paid for 46 books is £252.11. The total to be paid for 47 books is £257.59. The total to be paid for 48 books is £263.07. The total to be paid for 49 books is £268.55. The total to be paid for 50 books is £274.03. The total to be paid for 51 books is £279.51. The total to be paid for 52 books is £284.99. The total to be paid for 53 books is £290.47. The total to be paid for 54 books is £295.95. The total to be paid for 55 books is £301.43. The total to be paid for 56 books is £306.91. The total to be paid for 57 books is £312.39. The total to be paid for 58 books is £317.87. The total to be paid for 59 books is £323.35. The total to be paid for 60 books is £328.83. The total to be paid for 61 books is £334.31. The total to be paid for 62 books is £339.79. The total to be paid for 63 books is £345.27. The total to be paid for 64 books is £350.75. The total to be paid for 65 books is £356.23. The total to be paid for 66 books is £361.71. The total to be paid for 67 books is £367.19. The total to be paid for 68 books is £372.67. The total to be paid for 69 books is £378.15. The total to be paid for 70 books is £383.63. The total to be paid for 71 books is £389.11. The total to be paid for 72 books is £394.59. The total to be paid for 73 books is £400.07. The total to be paid for 74 books is £405.55. The total to be paid for 75 books is £411.03. The total to be paid for 76 books is £416.51. The total to be paid for 77 books is £421.99. The total to be paid for 78 books is £427.47. The total to be paid for 79 books is £432.95. The total to be paid for 80 books is £438.43. The total to be paid for 81 books is £443.91. The total to be paid for 82 books is £449.39. The total to be paid for 83 books is £454.87. The total to be paid for 84 books is £460.35. The total to be paid for 85 books is £465.83. The total to be paid for 86 books is £471.31. The total to be paid for 87 books is £476.79. The total to be paid for 88 books is £482.27. The total to be paid for 89 books is £487.75. The total to be paid for 90 books is £493.23. The total to be paid for 91 books is £498.71. The total to be paid for 92 books is £504.19. The total to be paid for 93 books is £509.67. The total to be paid for 94 books is £515.15. The total to be paid for 95 books is £520.63. The total to be paid for 96 books is £526.11. The total to be paid for 97 books is £531.59. The total to be paid for 98 books is £537.07. The total to be paid for 99 books is £542.55. The total to be paid for 100 books is £548.03. The total to be paid for 101 books is £553.51. The total to be paid for 102 books is £558.99. The total to be paid for 103 books is £564.47. The total to be paid for 104 books is £569.95. The total to be paid for 105 books is £575.43. The total to be paid for 106 books is £580.91. The total to be paid for 107 books is £586.39. The total to be paid for 108 books is £591.87. The total to be paid for 109 books is £597.35. The total to be paid for 110 books is £602.83. The total to be paid for 111 books is £608.31. The total to be paid for 112 books is £613.79. The total to be paid for 113 books is £619.27. The total to be paid for 114 books is £624.75. The total to be paid for 115 books is £630.23. The total to be paid for 116 books is £635.71. The total to be paid for 117 books is £641.19. The total to be paid for 118 books is £646.67. The total to be paid for 119 books is £652.15. The total to be paid for 120 books is £657.63. The total to be paid for 121 books is £663.11. The total to be paid for 122 books is £668.59. The total to be paid for 123 books is £674.07. The total to be paid for 124 books is £679.55. The total to be paid for 125 books is £685.03. The total to be paid for 126 books is £690.51. The total to be paid for 127 books is £695.99. The total to be paid for 128 books is £701.47. The total to be paid for 129 books is £706.95. The total to be paid for 130 books is £712.43. The total to be paid for 131 books is £717.91. The total to be paid for 132 books is £723.39. The total to be paid for 133 books is £728.87. The total to be paid for 134 books is £734.35. The total to be paid for 135 books is £739.83. The total to be paid for 136 books is £745.31. The total to be paid for 137 books is £750.79. The total to be paid for 138 books is £756.27. The total to be paid for 139 books is £761.75. The total to be paid for 140 books is £767.23. The total to be paid for 141 books is £772.71. The total to be paid for 142 books is £778.19. The total to be paid for 143 books is £783.67. The total to be paid for 144 books is £789.15. The total to be paid for 145 books is £794.63. The total to be paid for 146 books is £800.11. The total to be paid for 147 books is £805.59. The total to be paid for 148 books is £811.07. The total to be paid for 149 books is £816.55. The total to be paid for 150 books is £822.03. The total to be paid for 151 books is £827.51. The total to be paid for 152 books is £832.99. The total to be paid for 153 books is £838.47. The total to be paid for 154 books is £843.95. The total to be paid for 155 books is £849.43. The total to be paid for 156 books is £854.91. The total to be paid for 157 books is £860.39. The total to be paid for 158 books is £865.87. The total to be paid for 159 books is £871.35. The total to be paid for 160 books is £876.83. The total to be paid for 161 books is £882.31. The total to be paid for 162 books is £887.79. The total to be paid for 163 books is £893.27. The total to be paid for 164 books is £898.75. The total to be paid for 165 books is £904.23. The total to be paid for 166 books is £909.71. The total to be paid for 167 books is £915.19. The total to be paid for 168 books is £920.67. The total to be paid for 169 books is £926.15. The total to be paid for 170 books is £931.63. The total to be paid for 171 books is £937.11. The total to be paid for 172 books is £942.59. The total to be paid for 173 books is £948.07. The total to be paid for 174 books is £953.55. The total to be paid for 175 books is £959.03. The total to be paid for 176 books is £964.51. The total to be paid for 177 books is £969.99. The total to be paid for 178 books is £975.47. The total to be paid for 179 books is £980.95. The total to be paid for 180 books is £986.43. The total to be paid for 181 books is £991.91. The total to be paid for 182 books is £997.39. The total to be paid for 183 books is £1002.87. The total to be paid for 184 books is £1008.35. The total to be paid for 185 books is £1013.83. The total to be paid for 186 books is £1019.31. The total to be paid for 187 books is £1024.79. The total to be paid for 188 books is £1030.27. The total to be paid for 189 books is £1035.75. The total to be paid for 190 books is £1041.23. The total to be paid for 191 books is £1046.71. The total to be paid for 192 books is £1052.19. The total to be paid for 193 books is £1057.67. The total to be paid for 194 books is £1063.15. The total to be paid for 195 books is £1068.63. The total to be paid for 196 books is £1074.11. The total to be paid for 197 books is £1079.59. The total to be paid for 198 books is £1085.07. The total to be paid for 199 books is £1090.55. The total to be paid for 200 books is £1096.03. The total to be paid for 201 books is £1101.51. The total to be paid for 202 books is £1106.99. The total to be paid for 203 books is £1112.47. The total to be paid for 204 books is £1117.95. The total to be paid for 205 books is £1123.43. The total to be paid for 206 books is £1128.91. The total to be paid for 207 books is £1134.39. The total to be paid for 208 books is £1139.87. The total to be paid for 209 books is £1145.35. The total to be paid for 210 books is £1150.83. The total to be paid for 211 books is £1156.31. The total to be paid for 212 books is £1161.79. The total to be paid for 213 books is £1167.27. The total to be paid for 214 books is £1172.75. The total to be paid for 215 books is £1178.23. The total to be paid for 216 books is £1183.71. The total to be paid for 217 books is £1189.19. The total to be paid for 218 books is £1194.67. The total to be paid for 219 books is £1200.15. The total to be paid for 220 books is £1205.63. The total to be paid for 221 books is £1211.11. The total to be paid for 222 books is £1216.59. The total to be paid for 223 books is £1222.07. The total to be paid for 224 books is £1227.55. The total to be paid for 225 books is £1233.03. The total to be paid for 226 books is £1238.51. The total to be paid for 227 books is £1243.99. The total to be paid for 228 books is £1249.47. The total to be paid for 229 books is £1254.95. The total to be paid for 230 books is £1260.43. The total to be paid for 231 books is £1265.91. The total to be paid for 232 books is £1271.39. The total to be paid for 233 books is £1276.87. The total to be paid for 234 books is £1282.35. The total to be paid for 235 books is £1287.83. The total to be paid for 236 books is £1293.31. The total to be paid for 237 books is £1298.79. The total to be paid for 238 books is £1304.27. The total to be paid for 239 books is £1309.75. The total to be paid for 240 books is £1315.23. The total to be paid for 241 books is £1320.71. The total to be paid for 242 books is £1326.19. The total to be paid for 243 books is £1331.67. The total to be paid for 244 books is £1337.15. The total to be paid for 245 books is £1342.63. The total to be paid for 246 books is £1348.11. The total to be paid for 247 books is £1353.59. The total to be paid for 248 books is £1359.07. The total to be paid for 249 books is £1364.55. The total to be paid for 250 books is £1370.03. The total to be paid for 251 books is £1375.51. The total to be paid for 252 books is £1380.99. The total to be paid for 253 books is £1386.47. The total to be paid for 254 books is £1391.95. The total to be paid for 255 books is £1397.43. The total to be paid for 256 books is £1402.91. The total to be paid for 257 books is £1408.39. The total to be paid for 258 books is £1413.87. The total to be paid for 259 books is £1419.35. The total to be paid for 260 books is £1424.83. The total to be paid for 261 books is £1430.31. The total to be paid for 262 books is £1435.79. The total to be paid for 263 books is £1441.27. The total to be paid for 264 books is £1446.75. The total to be paid for 265 books is £1452.23. The total to be paid for 266 books is £1457.71. The total to be paid for 267 books is £1463.19. The total to be paid for 268 books is £1468.67. The total to be paid for 269 books is £1474.15. The total to be paid for 270 books is £1479.63. The total to be paid for 271 books is £1485.11. The total to be paid for 272 books is £1490.59. The total to be paid for 273 books is £1496.07. The total to be paid for 274 books is £1501.55. The total to be paid for 275 books is £1507.03. The total to be paid for 276 books is £1512.51. The total to be paid for 277 books is £1517.99. The total to be paid for 278 books is £1523.47. The total to be paid for 279 books is £1528.95. The total to be paid for 280 books is £1534.43. The total to be paid for 281 books is £1539.91. The total to be paid for 282 books is £1545.39. The total to be paid for 283 books is £1550.87. The total to be paid for 284 books is £1556.35. The total to be paid for 285 books is £1561.83. The total to be paid for 286 books is £1567.31. The total to be paid for 287 books is £1572.79. The total to be paid for 288 books is £1578.27. The total to be paid for 289 books is £1583.75. The total to be paid for 290 books is £1589.23. The total to be paid for 291 books is £1594.71. The total to be paid for 292 books is £1600.19. The total to be paid for 293 books is £1605.67. The total to be paid for 294 books is £1611.15. The total to be paid for 295 books is £1616.63. The total to be paid for 296 books is £1622.11. The total to be paid for 297 books is £1627.59. The total to be paid for 298 books is £1633.07. The total to be paid for 299 books is £1638.55. The total to be paid for 300 books is £1644.03. The total to be paid for 301 books is £1649.51. The total to be paid for 302 books is £1654.99. The total to be paid for 303 books is £1660.47. The total to be paid for 304 books is £1665.95. The total to be paid for 305 books is £1671.43. The total to be paid for 306 books is £1676.91. The total to be paid for 307 books is £1682.39. The total to be paid for 308 books is £1687.87. The total to be paid for 309 books is £1693.35. The total to be paid for 310 books is £1698.83. The total to be paid for 311 books is £1704.31. The total to be paid for 312 books is £1709.79. The total to be paid for 313 books is £1715.27. The total to be paid for 314 books is £1720.75. The total to be paid for 315 books is £1726.23. The total to be paid for 316 books is £1731.71. The total to be paid for 317 books is £1737.19. The total to be paid for 318 books is £1742.67. The total to be paid for 319 books is £1748.15. The total to be paid for 320 books is £1753.63. The total to be paid for 321 books is £1759.11. The total to be paid for 322 books is £1764.59. The total to be paid for 323 books is £1770.07. The total to be paid for 324 books is £1775.55. The total to be paid for 325 books is £1781.03. The total to be paid for 326 books is £1786.51. The total to be paid for 327 books is £1791.99. The total to be paid for 328 books is £1797.47. The total to be paid for 329 books is £1802.95. The total to be paid for 330 books is £1808.43. The total to be paid for 331 books is £1813.91. The total to be paid for 332 books is £1819.39. The total to be paid for 333 books is £1824.87. The total to be paid for 334 books is £1830.35. The total to be paid for 335 books is £1835.83. The total to be paid for 336 books is £1841.31. The total to be paid for 337 books is £1



EU rewards 'positive attitude' of new ministers

# Brown secures green light on VAT reduction

Sarah Helm  
Brussels

The Government's drive to sweeten relations with the European Union intensified yesterday as Gordon Brown, the Chancellor, promised a "constructive and positive" attitude towards the EU's economic agenda.

Jack Cunningham, the Agriculture minister, spoke of a "new approach" to the beef ban and an end to the "aggressions and intransigence" of the past. He also promised a constructive approach to the fish quota-hopping controversy.

The two ministers, both on their first visits to Brussels since the election, won swift praise from European partners for their overtures, which secured some positive results.

Mr Brown yesterday secured a deal under which the European Commission signalled it would not attempt to block the Government from reducing VAT on domestic fuel. Brussels officials had earlier warned that the VAT reduction ran counter to the spirit of an EU directive on tax harmonisation.

Mr Cunningham, meanwhile, was told that the commission would work "as fast as it could", within the constraints of scientific advice, to secure a gradual easing of the beef ban.

Despite the new harmony, however, the British ministers were made aware that smooth-talking will soon have to give way to tough decision-making.

After yesterday's finance ministers' council, Mr Brown was forced to side-step questions on when the Government would decide on whether to join the single currency.

Under the Maastricht treaty, Britain must notify its partners of whether it wants to join at the start, on 1 January 1999, by the end of this year.

Yesterday the Chancellor refused to be drawn on how such a notification might be formulated, and maintained his election-campaign position, that the Government is keeping its options open on whether to seek backing for membership in a referendum.

Furthermore, despite market rumours to the contrary, Mr Brown maintained he had "no plans" to take Britain back into

the exchange rate mechanism, a move other member states would see as an indication of readiness to sign up to the euro.

Nevertheless, it was evident yesterday that pressure on Britain to take a view on the euro is already increasing as the deadline for the launch approaches.

The finance ministers cleared the way for Portugal and Spain to join in the first wave, by agreeing the countries' economic convergence programmes.

Yves Thibault de Silguy, the Economic Commissioner, welcomed Mr Brown's decision to move towards the creation of an independent Bank of England as a "step in the right direction" towards meeting a key Maastricht criterion.

For Mr Cunningham, yesterday's discussion brought to the fore the enormous hurdles which have yet to be surmounted if Britain is to secure a lifting of the beef ban.

Mr Cunningham said he would present a "new agenda" on how to make progress but conceded that it would be foolhardy to suggest any new deadlines for easing the ban.



A new York subway train covered in graffiti. Young offenders in Britain would be required to clean the trains as punishment for their crime. Photograph: Rex

Jason Bennett  
Crime Correspondent

Penal affairs groups expressed concerns yesterday at government plans to order children as young as 10 to carry out work in the community as a punishment for crimes.

Under the proposals to be announced by Labour in the Queen's Speech tomorrow, young offenders can be told to apologise to their victims and make reparation by either doing work directly connected to their crime, or for the wider community.

The scheme, which was suggested by Jack Straw, the Home Secretary, last year will form part of Labour's new Crime and Disorder Bill. The aim of the new "reparation orders" is to make young people understand the impact of their offences on victims. At present offenders aged between 10 and 16 cannot be ordered to do community work. They are usually fined, which Labour believes rarely acts as a deterrent.

## Punishment to fit the crime for young offenders

But Paul Cavadino, chairman of the Penal Affairs Consortium, an alliance of 33 organisations, said any work should be confined to dealing directly with the victim. He said: "A mini-community service order is unlikely to work with child offenders. To carry out a sustained piece of community work requires a degree of maturity."

Harry Fletcher, assistant general secretary of the National Association of Probation Officers, added: "Schemes must

benefit the community, attract the co-operation of the child and reduce the chances of reoffending. Ideally, these youngsters should be involved in creative activities from which they can take pride in producing something."

The reparation orders are aimed at children involved with less serious offences, such as vandalism and shoplifting. Details of an order, such as how many hours a youngster would have to put in during its three-month duration,

would be drawn up by Youth Offender Teams, made up of representatives from local authority social services and education departments as well as probation officers, which would also oversee their implementation.

Depending on individual circumstances, youngsters could be ordered to work directly for their victims, or to pay their debt by working for the wider community, either individually or in groups.

The Youth Offender Teams will also be able to insist on offenders providing a written or verbal apology to their victims.

Typically, vandals who scrawl graffiti on a neighbour's wall could be ordered to clean it up, while those who vandalise parks could be put to work picking up litter or replanting trees.

The orders will make up part of a package of measures in the Bill designed to tackle youth crime, they include a proposal for court-ordered curfews for children as young as 10 who are allowed to roam the streets late at night.

## Labour caution on quotas

Nicholas Schoon  
Environment Correspondent

The Government made a sharp change of tack on the issue of quota-hopping foreign vessels yesterday.

During the election campaign Labour insisted that once in power it was prepared to block crucial Inter-governmental Conference (IGC) talks on the future of the European Union unless Britain's demands were met.

But yesterday Jack Cunningham, the Minister of Agriculture, Fisheries and Food, said Britain wanted to avoid making quota-hopping a sticking point at the IGC's con-

cluding talks in Amsterdam next month.

Less than a month ago the Tories promised that they would block final agreement at the talks if the other 14 member-states did not agree on adding a protocol outlawing quota-hopping to the Treaty of Rome, the EU's founding treaty.

At the time Tony Blair told BBC Radio 4: "We certainly have not ruled out holding up IGC business in order to get the right changes to fishing policies that are in Britain's interest."

The conclusions of the IGC will settle the future direction and development of the EU. Yesterday, however, Mr Cun-

ningham told BBC Radio 4's Today programme: "We have to steer clear of making that a major issue at the Inter-governmental Conference. I think these problems of BSE and quota-hopping have a different timescale and they will be solved by strong representations from British ministers... on a continuous basis. I don't expect them to form a significant part of the discussions at the IGC."

Later a Foreign Office spokeswoman said that the Government was not insisting on a new protocol to outlaw quota-hopping, but it was determined to make progress on the issue.

### Barclayloan

Your next limo.

A Barclayloan can stretch it over 7 years.

Never has a Barclayloan been quite so affordable. Not only can you borrow £10,000 - £15,000 at a highly competitive 13.9% APR. Now, you could stretch any loan of £10,000 or more over 7 years. So a £12,000 car, for example, can cost as little as £220.01 a month.

If you're a Barclays customer, call us now on 0500 200 250 or call into any branch. If you aren't, simply post the coupon to the address shown or pop in and see us. Whether you're thinking about a car, a kitchen or a trip of a lifetime - we've stretched our loans, so you won't be.

Name: \_\_\_\_\_ Address: \_\_\_\_\_ Postcode: \_\_\_\_\_

Amount required: £ \_\_\_\_\_ Repayment period: \_\_\_\_\_ yrs.

Post this coupon to: Barclays Bank plc, EKT, PO Box 2000, Nottingham NG7 1BR.

**BARCLAYS**

13.9% APR - rate applicable on loans between £10,000 and £15,000. Typical example - £12,000 loan repayable by 84 monthly repayments of £220.01 with a total amount payable of £18,480.44 excluding Barclays Finance. A written quotation is available by calling 0500 200 250 or from Barclays Finance Direct, PO Box 323, Liverpool L69 2RE. To apply for a Barclayloan you must be 18 or over (20 in Jersey). Subject to status. Barclays Bank PLC is a member of the Building Societies Scheme (UK branches only). Please note that some telephone calls made to Barclayloan Direct may be recorded or monitored for training purposes.

## Lib-Dems to oppose class-size plans

Fran Abrams  
Political Correspondent

Government plans to cut class sizes to below 30 for all five- to seven-year-olds are unworkable, the Liberal Democrats' education spokesman will claim this week.

Don Foster and his party will oppose the proposals, to be unveiled in tomorrow's Queen's Speech, on the grounds that there will not be enough funds available to pay for them.

The Liberal Democrats' manifesto promised that all primary school pupils would be taught in classes of less than 30. It said the plan, to be phased in over five years, would cost £475m per year once it was implemented.

Labour says its more modest plan will cost £100m, and will be financed through the abolition of the assisted places scheme, under which 37,000 pupils receive between £2,500 and £3,000 per year to help pay their private school fees.

However, opponents say there are two flaws with the Labour plan. The first is that the assisted places scheme will be phased out over seven years to allow pupils complete their education. The second is that the abolition of the scheme will mean more pupils move into state schools, costing around £2,000 each per year.

On the plus side, the Tories had planned to expand assisted places, putting the cost up from £117m to £180m. That means a saving of £63m which the new government can use to help fulfil its class-size pledge.

Mr Foster, the Liberal Democrats' education spokesman, will say that the Government's plans do not go far enough. His party will seek to amend the proposed legislation during its passage through the House of Commons, although with a huge Labour majority the protest is unlikely to have much success.

"Labour's plans to cut class sizes are a pale shadow of the Liberal Democrats', which would cut class sizes to 30 for all children under 11 years," he said last night.

## Brown gets last say on minimum wage

Barrie Clement  
Labour Editor

The national minimum wage may not be introduced until 1999 in order to give employers time to adjust their pay rates, according to Whitehall sources.

It is also expected that there will be two minima - one for adults and a "training rate" for 16 and 17-year-olds to encourage companies to take on school-leavers.

The 15-strong Low Pay Commission, which will be announced tomorrow in the Queen's Speech, will advise on the rate, but the final decision will lie with Gordon Brown, Chancellor of the Exchequer.

If the Chancellor believes the rate is too high he could ignore it, delay its introduction or phase in the new minimum as the previous administration did with the recommendations of the pay review bodies.

While unions have called for a rate struck at half male median earnings - currently calculated at £4.42 - the commission is unlikely to stick to any particular formula. In fact, the minimum is more likely to be in the region of £3 to £3.50 at current prices and he introduced next May at the very earliest.

Ian McCartney, trade and industry minister, said yesterday that the commission would have a wide range of functions, but it is known that the Government has set its face against any suggestion that it could form the basis for a resurrected National Economic Development Council, a tripartite body which advised successive governments in the 1970s on the economy.

Addressing the conference of the General Federation of Trade Unions in Bournemouth, Mr McCartney said the commission would be set up "very quickly" as part of the Government's plans to narrow the poverty gap.

Mr McCartney told the federation, an organisation for small unions, that the aim of the commission would be to restore a "fair balance" to the world of work.

The commission, made up of employers' and workers' rep-



Ian McCartney: Aiming to restore 'fair balance' at work

representatives, would recommend the initial level of the minimum wage, but would also review its impact and monitor implementation and enforcement.

He said: "The commission will have a key role to play in ensuring that the minimum

wage takes effect smoothly and successfully in all parts of the economy." He said a minimum wage would reduce staff turnover and absenteeism, improve productivity and create jobs.

As part of the debate on the Queen's Speech, Robin Cook, Foreign Secretary, is expected to confirm that unions will once more be recognised at the GCHQ spy network headquarters at Cheltenham. Senior management at the centre is urging Mr Cook to impose a "no-strike" deal on unions as part of the arrangement.

The Government Communications Staff Federation, an association formed in the absence of orthodox unions, is expected to merge with the PTC civil service union.

Legislation to ensure that small business is compensated for the late settlement of bills, with interest charges being levied on late-payers, is also to be included in the Queen's Speech. However, details of the plan will not be known until the Department of Trade and Industry has completed consultations on the penal action.

## Legal & General takes a scalpel to healthcare costs

The result is Lifetime HealthCare. Available exclusively from Legal & General, Lifetime HealthCare is the first plan that delivers more kinds of care at a lower monthly premium. It covers your authorised hospital costs, including surgical and medical treatments, post-operative nursing and day care, and provides a renewable cash fund for dental, optical and other healthcare expenses. And it adds the peace of mind of bonus of lump sum accident insurance.

We've put extra cover and extra care plus a lifetime's experience of insurance into our healthcare plan... for you to enjoy the benefits.

Available only to persons up to 60 years of age.

Lifetime HealthCare from Legal & General

FIND OUT MORE TODAY

PHONE 1 FREE QUOTING LINE 0500 66 99 66

WEEKDAYS 9am - 5pm WEEKENDS 9am - 5pm

FOR YOUR PROTECTION CALLS WILL ONLY BE RECORDED AND MONITORED IF NECESSARY

...or if you prefer, write to us at Legal & General, Dept B17/DJ02, FREEPOST SWC 0467, Cardiff.

or contact us on the internet, <http://www.legalandgeneral.co.uk>

Legal & General Direct Limited (Registered in England No. 2140000) Registered Office: The Grange, 100 Victoria Street, London EC6A 3DF. Lifetime HealthCare policies are underwritten by Legal & General Assurance Society Limited.



# Howard's dark side brought to light

Kim Sengupta  
and Fran Abrams

Ann Widdecombe, the former prisons minister, is due to meet the Speaker of the House of Commons this week to find ways of placing highly damaging allegations against her former boss, Michael Howard, in front of the House of Commons.

Ann Widdecombe to tell Commons that ex-home secretary misled MPs over prison chief sacking

Ms Widdecombe is due to see Betty Boothroyd on Thursday. She has stated that she has evidence that Mr Howard, then home secretary, misled Parliament and acted improperly over the sacking of head of Prison Service, Derek Lewis. She is determined that "the truth shall be out" before the Conservatives elect their new leader. She has also told friends

that she had decided to speak out "months before", but had waited until after the general election.

Ms Widdecombe has also stressed that if the Tories had won she would have refused to serve under Mr Howard and "resigned immediately" before making her knowledge available to the party hierarchy.

She has denied that she was so worried about events at the time of Mr Lewis's sacking that she had deposited papers with her lawyer. But she told friends she has a "detailed knowledge of what happened" and she would not "like to die without the story being told."

Miss Widdecombe, who has had two conversations about the affair with Derek Lewis, has said publicly that she would be making "no comment" about the matter. She has not been contacted by anyone from Mr Howard's camp, or any of the other leadership contenders.

She told friends that "Once a leader is elected, the Tory Party must swing behind him. But the fact is Michael Howard is not fit to lead the party or the country". She has also described him as "dangerous stuff", and that there is "something of the night" in his personality.

Last night, Mr Howard's friends said Miss Widdecombe's claims that he was difficult to work with were "unsustainable". His campaign was being run by David Maclean, a former Home Office minister who had worked with him for years, and Tim Collins, his former special adviser. "The two people in this party who have worked longest with him are supporting him," one backer said.

Mr Howard would promote himself as the toughest candidate, he added. A Labour leader who had been nicknamed "Stalin" and "Kim Il Sung" should be opposed by someone equally tough who had the strength to reform his own party.

Last night another contender, Kenneth Clarke, warned that the party would render itself unelectable if it swung to the right under a Euro-sceptic leader.

Mr Clarke compared the Tories' current position with that of Labour in the 1980s, when it rejected Denis Healey in favour of Michael Foot because Healey had upset the unilateralist disarmers. That decision had cleared the way for a generation of Conservative rule, he said.

## Leaderless Scots Tories look to Europe as way out of the mire

Douglas Fraser

At a garden party in Lanarkshire this weekend, Scottish Conservatives will be searching for a way out of the mire that engulfs them. Ironically, those attending will be looking with a Euro-friendly demeanour towards a role model in Germany's Christian Social Union.

The option of becoming an independent Unionist party – similar to the right-wing, regional CSU which dominates Bavaria while supporting Chancellor Kohl's Christian Democrats at federal level – will be considered by the Tory rump left after the election call.

Arthur Bell, chairman of the Scottish Tory Reform Group, has commissioned a study of the CDU/CSU link, and hopes to have results when up to 80 invited members of the party gather in a marquee at his home near Biggar.

The meeting will be no social gathering: a newspaper survey

found that of 38 constituency chairs who responded (there are 72 seats in Scotland), only 15 said the party should continue to oppose home rule; eight backed support for devolution and 15 said there should be no party line in this autumn's referendum on Labour's Scottish Parliament plan.

Sixteen out of 38 thought the party should break with the past by changing its name, nine of them preferring the Scottish Union Party.

The fact is that Tories north of the border are thinking of splitting from England while remaining Unionist, looking at adopting a federal relationship with London. That they are considering these measures, and a U-turn on their opposition to home rule, shows some desperation – or imaginative thinking – from a leaderless party trying to find whether and how it can salvage a future for itself.

The party has no MPs – down from ten before the election –



Faded glory: Michael Forsyth with the Stone of Scone, recently returned to Edinburgh. But can the Scottish Tories find their own destiny?

Photograph: Daily Record

no Euro-MPs, no local councils under its control and fewer than 70 elected councillors.

John Major has declined to appoint a shadow Scottish Secretary, leaving leadership rivals Michael Howard and William Hague to co-operate on constitutional matters.

The one thing on which members seem united is that things can only get better, but

with a power vacuum at the top, they are at odds as to how that could happen.

The three former Scottish secretaries, who lost their seats on 1 May, are all on holiday until later this week. Michael Forsyth has said he is out of politics for the foreseeable future, Malcolm Rifkind intends to return and Ian Lang's intentions are unclear.

Annabel Goldie, the current Scottish Tory party chair has inherited a very difficult job. She took over at the start of the election campaign when her predecessor, Sir Michael Hirst, suddenly resigned, believing – wrongly – that a gay relationship was about to be exposed.

Last week he told the media he had been stitched up and although no naming names, the

finger was pointed at Mr Bell for raising the rumours with senior party figures.

In the absence of other leadership, the loudest voices raised in the party have been critical of the anti-devolution line it took while in government.

"I have said for some time that if the party developed an ostrich-like position, it would not see what was going on and

it would leave its anatomy exposed in rather tender parts," says Arthur Bell. "That is exactly what happened."

Pressure is building for major reforms to party organisation and policy making, ensuring a stronger role for grassroots members. The party has no say in the election of John Major's successor: This point will be at the forefront of moves to modernise the Conservative power structure throughout the UK.

The Tories are not the only ones trying to find their way in a new political landscape. Without a shadow Secretary of State for Scotland, both the Scottish Liberal Democrats, with ten MPs, and the Scottish Nationalists, second to Labour in share of the vote, are claiming to be the official opposition.

## A message to all those people who use a dandruff shampoo every day.

If you suffer from dandruff, you've probably been led to believe that you have to use an anti-dandruff shampoo every time you wash your hair. Well, not anymore.

Unlike other shampoos, Neutrogena Long Lasting Dandruff Control Shampoo is so effective you only have to use it once a week.

Which means you can still use all your favourite cosmetic shampoos in between.

Neutrogena Long Lasting Dandruff Control Shampoo keeps dandruff away for longer.

For your free trial pack call  
0800 628 629.

Quote ref: D01



# Neutrogena®

### YOUR HOME IS AT RISK IF YOU DO NOT KEEP UP REPAYMENTS ON A MORTGAGE OR OTHER LOAN SECURED ON IT.

Midland's mortgages are subject to security and status. A charge will be taken over the property and appropriate life policies. The following example illustrates monthly repayments for a typical capital-repayment fixed-rate mortgage of £40,000 over 25 years with interest fixed at 5.99% until 30/07/1999. Thereafter, interest is charged at our variable rate. Estimated costs and fees are based on a valuation or purchase price of £55,000 and include an estimated valuation fee of £110 although this may vary according to the property's value. A £150 booking fee is payable when the application is agreed in principle. Booking and valuation fees are refunded on draw-down. In addition to figures quoted below, premiums for the required mortgage protection policy are payable: 24 net monthly payments of £238.44 followed by 276 net monthly repayments of £264.00. Total gross amount payable £85,726.13 (APR 7.2%). All APRs variable. For a written quotation, call 0800 494 999. All calls are recorded and may be monitored as part of our on-going review of service quality. Midland Bank plc is regulated by the Personal Investment Authority and only advises on its own life assurance, pensions and unit trusts. B5/99. Member HSBC Group

### For the local hero at Marshall's Ten Pin

Bowling who felt 'tense and insecure' about any mortgage that wouldn't let him plan his finances for the next couple of years...



## ► Midland offers first-time buyers a rate of 5.99% (7.2% APR) fixed until July 1999.

You 'instinctively chose' a fixed-rate mortgage because the 'last thing you wanted' was to take risks with your finances.

Midland's fixed-rate mortgage gives you the financial security to plan ahead. So you can safely budget for essentials like furnishing your house and other home improvements. What's more, it's just one part of a complete discounted mortgage package – where you can choose any options you feel comfortable with. This is just one of Midland's many bright ideas to make home buying easier.



Midland

The Listening Bank

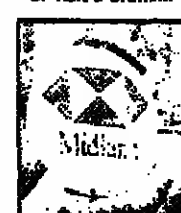
0800 494 999

www.midlandbank.com

Call for a quotation



or visit a branch.





## news

# Cruising into the future with the ship that dreams are made of

Randeep Ramesh  
Transport Correspondent

It is not a bird, nor a plane, but one man's vision of the future for luxury cruises.

If it ever leaves the drawing board, the *Salvatore* project would see a floating city carrying more than 7,500 people from California to the Caribbean within the next 15 years.

The model ship may look as if it came from a *Thunderbirds* set, but its originator, John McNeece, is a respected ship designer who helped to plan Britain's largest luxury cruise ship - P&O's 67,000-ton *Oriana*.

However, his previous work pales into insignificance when compared to this grand vision. Mr McNeece's ship would boast ice links, convention centres and helicopter pads next to the more traditional cruise distractions of shops and cinemas.

But such additions, Mr McNeece said, will be necessities. "As we become more accustomed to a hi-tech environment we will demand these things."

Launched at a Miami conference in March, the project has its British airing today. So far, the project has had a warm reception from ship builders.

"Sadly, there have been no

earth-shattering changes in the look of cruise ships in the past 50 years," said Mr McNeece. "Certainly not compared with the aerospace industry."

The most radical departure

from current thinking in Mr McNeece's plans is how the new design overcomes the "Panamax" problem. This is the width limit imposed on ships if they are to negotiate the Panama canal,

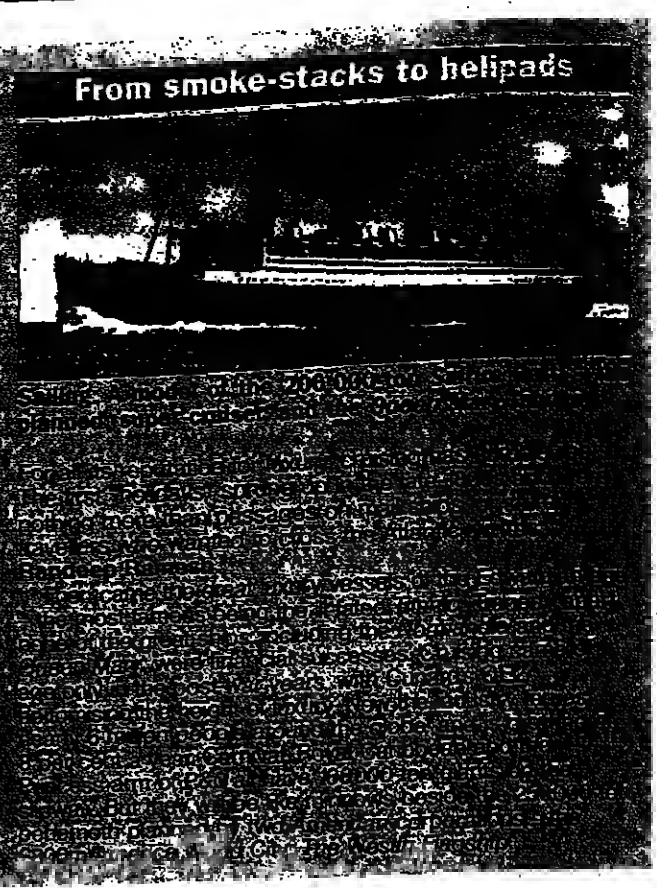
which links the east and west coasts of the Americas, the cruise industry's most lucrative market.

The limit, of 32 metres, has meant ships being developed

around the traditional single-hull "long-and-thin" design. But Mr McNeece's creation will be able to detach its four floating pads, and retract its stabilising arms, ensuring that the 200,000 ton

*Salvatore* can sail the tricky canal. That this is more fiction than fact does not deter Mr McNeece. "The cruise industry needs more 'blue sky' thinking, more brain storming," he said.

"One thing is certain - the cruise industry 50 years from now will belong to those who invested, pushing forward the frontiers to make their dreams reality."



Have  
Nort

Bessa Poole

How many extra orders will you take  
with BT's new Freefone offer?



Up to 7½ hours of free calls every month, for 3 months.

A BT Freefone number can attract three times as many customers. That's three times as much extra business. And if that's not enough to persuade you to set one up, apply by July 21st (for connection by August 31st) and BT will give your business up to 7½ hours of

Freefone calls, free. Every month for three months. So not only are calls free to your customers, they're free to you too. Mama Mia! For more information on Freefone numbers and details of this offer call **BT Businessconnections** on Freefone 0800 800 800.

**Freefone 0800 800 800**

Freefax: 0800 800 935 e-mail: worksmore@whites 1.agw.bt.co.uk

\*Offer is for 3 months and starts from the first day of the month following connection.

**BT**

## Airport tunnellers dig in their heels

Steve Boggan

Tunnellers underneath the proposed site of Manchester Airport's second runway put themselves on "amber alert" yesterday in readiness for eviction raids this week.

Dozens of protesters will be underground in at least 12 highly sophisticated tunnels when bailiffs move in to make way for the £172m runway.

News of a meeting yesterday between Randall Hibbert, the Under Sheriff of Cheshire, with police and bailiffs, sparked frenzied activity at the protesters' camps near Sial in Cheshire.

"We've moved up to amber alert," said Inverness John, one of the protesters. "We'll go up to red alert when we see them coming over the hill, and that could be any time now."

Tunnellers say that "a fair proportion" of the holes underneath the site are at least as sophisticated as the one in which their hero Swampy - aka Daniel Hooper - held out for a week in January this year under the site of the A30 at Fairmile, Devon.

Swampy has dug a more complex tunnel at Sial, but it is not clear whether he will be in it. He is at present on a bail condition which prevents him from going near the site but one protester yesterday said that no one would be surprised if he turned up. "Loads of us have got the same condition," he said.

Included in the demonstrators' armoury this time is the Cake Hole, a 50ft-deep tunnel dug over a three-month period and featuring numerous warrens, vertical climbs and 90-degree turns. It can hold at least 10 people, each of whom can be locked into large concrete blocks, and it is also understood that the tunnel features heavy doors with locks and bolts.

"They're in for a few surprises this time," said Atarra, a 16-year-old who is on the site with her mother's permission. "By

the time this is all over, a lot of people will have a lot to be proud of. It will be much more difficult to remove people than it was at Fairmile."

According to Inverness John, some of the tunnellers have enough provisions to stay underground for at least six weeks.

"Whether they would like to stay down there that long is another matter," he added.

He said safety was the paramount consideration and he expressed concern that protesters had failed to get an assurance from Mr Hibbert that communications to the tunnellers would not be cut during a siege.

"We would consider that to be very dangerous," he said. "It



Swampy: May protest despite court's bail condition

is important that we know the condition of the people underground."

Bailiffs will also have trouble removing demonstrators from above ground. Dozens of tree-houses have been built and scores of climbers are expected to chain themselves to branches.

One protester, Gary, who suffers from a spinal disorder, plans to chain himself and his wheelchair to a tree. At least 100 people were reportedly at the site yesterday and the number was rising rapidly.

Mr Hibbert was not available for comment.

Leading article, page 13

### DIRECT LINE INSTANT ACCESS ACCOUNT

NOTE: You can make 100% of these calls on a Direct Line Savings Account.

Balance	Annual Gross Rate
£1-£4,999	4.50%
£5,000-£9,999	5.00%
£10,000-£24,999	5.40%
£25,000-£49,999	5.75%
£50,000-£99,999	6.00%
£100,000+	6.50%

All rates correct as 2nd May 1997.

Call one of the numbers below for high interest with instant access.  
0181 667 1121 0161 833 1121 0141 221 1121  
LONDON MANCHESTER GLASGOW  
CALL ANYTIME 9am to 8pm Monday to Friday and 9am to 5pm Saturday.  
TV Text page 377. Please quote IND76

Calls may be recorded for your added security.  
Direct Line and the red telephone are trademarks of Direct Line Insurance plc.  
used with its permission. Rates subject to verification.

Yeltsin  
pact w

Phil Roper

هذا من الاصل



# Have tens of thousands died in North Korea's secret famine?

**Teresa Poole reports on a people hidden from the world who may be quietly starving**

Peking — At the end of the Fifties, it was possible for a foreigner to visit China and remain completely unaware that tens of millions of people were starving to death as a result of the government's Great Leap Forward policies. Is it conceivable, in 1997, that a country could similarly hide the severity of a famine? Could thousands, or tens of thousands, already have died in North Korea without any of the international aid workers and visiting politicians being allowed a glimpse?

"This is our worry as well," Tun Myat, the World Food Programme's director of transport and logistics, said yesterday. "In a society where openness is not exactly the general rule, such a thing could be happening out of sight of a lot of people."

"What we are seeing so far might only be the tip of the iceberg, there might be a lot more to it than that."

Unlike China four decades ago, Pyongyang in 1997 admits to a severe food crisis, has asked for help, and has allowed food-aid workers into the country. Yet, in recent weeks, there has been a growing discrepancy between what these aid workers report and what ethnic Korean Chinese and Chinese truck drivers describe as having seen during visits across the China-North Korean border.

The aid workers speak of severe malnutrition but say they have no evidence of widespread deaths; the Chinese travellers increasingly tell of seeing starved dead bodies lying in public and executions for those who have tried to escape.

After a two-week visit to North Korea, including the WFP's first trip into the north-east provinces, Tun Myat yesterday described what he had seen as "a famine in slow motion". He added: "The population in general do not give the impression that they are about to die of starvation tomorrow... But they are definitely starving."

He was also well aware, however, that aid workers can only travel to agreed areas, and only in the company of North Korean officials.

The WFP's first visit to North Hangyong province yielded more useful pieces for the information jigsaw. On 3 May, this province of 2.2 million people had only 600 tonnes of grain in store, a situation which is probably even worse in inland areas.

It has got to the point where Pyongyang is telling its regions



Looking for clues: Two men in Yansi City, China, using binoculars to look over the border into North Korea

Photograph: Teresa Poole

"to fend for themselves," said Tun Myat. "So what do we see? We see things that you would not normally expect in North Korea."

Most surprising, given the North Korean government's iron hand over its population, were the numbers of people travelling illegally within the country, in

Hangyong... we saw people eating noodles made out of seaweed," Tun Myat said.

He explained in detail how barks and leaves were ground up with corn cobs, bean pods and mushroom stems to make into "cakes".

"These are very ingenious people. It is because of that they have sustained themselves so far. Otherwise they would be dead already."

Unlike some foreign-aid workers, Tun Myat admitted that there was no way of knowing as yet whether large numbers of people had died or not. International aid groups have not been given access to huge swathes of inland North Korea, including the regions reached by the ethnic-Korean Chinese who cross the border to visit relatives.

"There is no doubt whatsoever that food in large quantities is needed... You've seen all those intelligence reports where the [United States] has said that perhaps as many as 100,000 have died, and I understand that the South Koreans have stated that anything up to 2,000 might be dying a day, which are all plausible things, out of sight from even those of us who are given access," Tun Myat said.

"That's the difficult and maybe exasperating part of this process, that you are not given access but perhaps not full and complete access."

## Chinese truck drivers tell of seeing starved dead bodies lying in public

search of food. "The trains that we took in both directions were completely covered with people, with quite heavy loads of things that they carried from one place to the other."

"We've been told that these were people who travelled without permits... At railway stations we saw them clambering down from trains and not going through the normal exits but escaping through the rails and to the towns and villages in order to avoid being checked."

In South Hangyong, seaweed, once an occasional food, has become a staple. "In South

## Yeltsin signs peace pact with Chechnya

Phil Reeves  
Moscow

In remarks which owe more to wishful thinking than anything in the hard print before him, Boris Yeltsin yesterday forecast an end to 400 years of conflict between Russia and Chechnya, and sought to prove his point by signing a peace treaty with the tiny Caucasian republic.

In a move that will further enrage his hawkish opponents, the Russian President signed the agreement at a highly publicised ceremony in the Kremlin during his first meeting with Aslan Maskhadov since the former separatist commander was elected President of Chechnya.

The four-sentence document commits both sides to a formal rejection of the use or threat of force, but it did not settle the issue of Chechnya's status, which continues to be a fundamental source of tension. Although an earlier agreement to postpone a settlement for five years remains unaltered, the document contains a clause saying both sides will develop relations according to the "norms of international law", a phrase which the Chechens are certain to seize on as an endorsement for their claim for independence.

Crucially, the signing of the accord, after a dangerous period of unease in the tiny Caucasus republic, suggests both sides are moving close to an agreement over oil — one of the issues that contributed to the Kremlin's decision to send in the troops in December 1994, re-



Maskhadov: Agreed treaty with Russian President

sulting in the loss of some 80,000 lives and by far the worst blot on Mr Yeltsin's Kremlin record.

Russia is legally bound to be ready by October to take delivery of early Caspian oil from Azerbaijan, via a pipeline which runs north-westwards, through Chechnya, to the Black Sea port of Novorossiysk. The Chechen section, which runs south of Grozny, is partly wrecked, peppered with holes, and vulnerable to attack.

If the pipeline is not ready by the October deadline, Russia faces financial penalties. It would also have an even weaker case for arguing that the same route — as opposed to Western-favoured routes via Georgia and Turkey — should be used for the crucial main export pipeline which will eventually carry Caspian oil from Baku to markets in the West. Furthermore, Mr Maskhadov's government

would lose sizeable income from transit tariffs — money which is desperately needed to rebuild the republic's infrastructure after a war that flattened its capital city, Grozny.

In a glimpse of the hard bargaining now under way, the head of Chechnya's oil company yesterday said the Chechen section of the pipeline could be completed within a month if someone — presumably Russia — came up with \$2m (£1.2m).

Exactly how much weight yesterday's treaty will ultimately carry will depend on a multitude of factors. The mere sight of Mr Yeltsin sharing a platform with Mr Maskhadov, complete with his Ismailian hat, will deepen the outrage already felt by hardliners in Russia who oppose the peace deal.

Those hardliners stand accused by the Chechen leadership of being to blame for trying to destroy peace in the region — most recently, by staging bombings at railway stations in southern Russia; if this is true, then yesterday's events could trigger further disruption which could undermine the treaty.

But there are also considerable doubts over the ability of the Chechen authorities to maintain order in their own territory. Armed bands of kidnappers have been seizing journalists, and demanding six-figure ransoms. Last night, seven Russians were being held hostage in the region, including one of the country's best-known female correspondents, the NTV journalist Yelena Maslyuk.

## They stopped him working the land. So now he digs graves for children.



Give now. Call 0345 000 300

José and Maria Pereira will not forget the day they were evicted from the land they were working. "The landowners just ripped up our crops and threw them away," says José Pereira.

Nor will they erase the memory of what happened next: how they joined with other families in a desperate search for land, how starvation took the lives of four of the children, all under two years old. "The ones who died were living on sugar and water" says Maria Pereira. "They just swelled up and died of hunger".

This is Brazil, where 100,000 children die each year from malnutrition. The cause, too often, is as simple as it is cruel: wealthy landowners deny land to families whose only means of support comes from growing crops to eat.

This country is one of the most unequal places on earth. A mere 75 ranchers own land the size of Britain, much of it unused. Christian Aid supports an organisation which helps desperate peasants settle on idle land and make it productive. In parallel, it works for the legal transfer of that land into the peasants' hands.

Please help us by giving all you can in Christian Aid Week. It is too late for those four children, but there is real hope for many more.

I enclose a cheque/PO made payable to Christian Aid for: £250 ☐ £200 ☐ £100 ☐ £50 ☐ £25 ☐ £10 ☐ Other £  Or please debit my credit card.

(Mastercard/Access/Visa/Other specify)  Card No.  Expiry Date

Signature  Name  Address

Postcode

Send your donation to: Christian Aid, Freepost MR92192, Manchester M1 9AZ.

0345 000 300

Christian Aid  
We believe in life before death  
the spirit of THE CO-OPERATIVE BANK

Registered Charity No. 213045

Christian Aid Week. May 11-17.



## international

# Turkish troops mass for Kurdish attack

Chris de Bellaigue  
Diyarbakir

The Turkish army is intensifying its campaign against guerrillas from the Kurdistan Workers' Party (PKK), and has stepped up what appear to be preparations for an assault on the party's strongholds in northern Iraq.

Over the course of the past 10 days, the military say that they have killed 174 PKK members in at least a dozen trouble spots in Turkey's south-east. Now, *The Independent* has learnt that between 50,000 and 70,000 troops, accompanied by armoured cars and artillery units, have gathered in preparation for an attack in northern Iraq, from where the PKK launch hit-and-run assaults on Turkish territory.

The Turkish authorities have made no comment on the build-up, but local sources say that the army has positioned men along a 250km stretch of border, is busy laying roads, and has cancelled leave.

Observers think that the Turkish military has planned an operation to try and wipe out PKK camps in northern Iraq.

Turkey claims the right – contested feebly by Saddam Hussein's government in Baghdad – to engage in what it calls "hot pursuit" of PKK militants some distance into Iraqi territory.

In recent years, this principle has been mobilised to justify cross-border operations involving tens of thousands of men. As Turkish F16s continue to soften up targets in northern Iraq, it looks as though the Turks are on the verge of using it once more.

To the frustration of academy-educated generals, however, less predictable factors must also be taken into account. The timing of a substantial incursion into northern Iraq depends in large measure on the attitude adopted by the Kurdistan Democratic Party (KDP), one of an array of Kurdish groups jostling for control of the safe haven in northern Iraq set up by the Allies at the end of the Gulf War, which has remained outside Saddam Hussein's control ever since.

The KDP is important since it controls much of Iraq's border with Turkey; KDP peshmergas (guerrillas) make useful guides through mountainous

terrain unfamiliar to Turkish regular soldiers. The problem is that past experience seems to have made the KDP circumspect.

Before the Turks launched a big cross-border offensive last spring, it was agreed that, in return for co-operation, the KDP would benefit from observation facilities inside a "security zone" to be set up by the Turks inside northern Iraq. This zone – along, some say, with promised cash and arms – never materialised.

Last week, sources in Diyarbakir – from where the Turkish government implements its policy in the region – said that the Turkish army was negotiating with KDP representatives in the border town of Silopi. The KDP must be convinced of the wisdom of supporting a fresh offensive against the well-armed, professionally-minded PKK, from whom they might expect retribution if things do not go according to plan.

Whatever the result of the negotiations, sceptics doubt whether the Turks can deliver the decisive blow against the PKK which they have promised for so long. Much of what the

PKK refers to as Kurdistan – which includes chunks of Iran, Syria, Iraq and Turkey – might have been sculpted by guerrilla warfare in mind.

The PKK already controls an important chunk of land around their camp of Zap, 20km inside Iraqi territory. Zap is important for the PKK's developing political identity; it is here that their "government in exile", until now used to meeting in more salubrious European surroundings, is expected to move. This makes it the logical target of a Turkish operation.

Observers point out that intensified activity in the area sits oddly alongside Turkey's official line: that their 13-year-long war with the PKK, which has cost more than 22,000 lives and displaced around 2.5 million people, has been all but won. The Turkish security forces are fighting over a 400km-wide chunk of the country, and while they often use crude methods have squeezed rebel logistics inside Turkey, this has been achieved at the cost of public support, which remains directed overwhelmingly at the rebels, despite their own record of brutality.



Babe in arms: A Jewish settler shows his son how an Uzi machine-gun works as they visit an Israeli army weapons display at the West Bank settlement of Qadumim yesterday, Israel's 49th Independence Day. Photograph: AFP

## Rebels fear Saddam onslaught

Patrick Cockburn  
Baghdad

Iraqi Kurds are fearful that Saddam Hussein, the Iraqi leader, is planning a fresh incursion into Kurdistan as Iraqi infantry and tanks mass in the plains below the Kurdish mountains. Iraq has accused the Patriotic Union of Kurdistan (PUK), one of the Kurdish factions, of stopping the flow of water from two large reservoirs under its control.

Iraq captured Arbil, the Kurdish capital, last August from the PUK after intervening in the Kurdish civil war and handed it over to the Kurdistan Democratic Party, the rival Kurdish faction. In the last week the government in Baghdad has claimed that Iraq is being deliberately denied water because the PUK controls the reservoirs



Saddam Hussein: Accuses PUK of stopping water flow

at Durbendikhan and Dukan in eastern Kurdistan.

A PUK spokesman said yesterday in Ankara: "Recent deployment of Iraqi armour in the area of Kifri, south of Durben-

dikhan, has further increased concerns for possible Iraqi aggression." If the Iraqi troops do attack there is no way the lightly armed and poorly trained Kurdish forces could stop them driving a wedge into the PUK zone.

Over the past four days the equivalent of three divisions, one armoured, have been moved close to the front line of Iraqi government controlled territory, according to the Iraqi National Congress, an Iraqi opposition group. In recent days the Iraqi press has cited the Arab saying: "Cutting off heads is better than cutting off food."

The same phrase was used when Saddam Hussein invaded Kuwait in 1990. The PUK denies that it is reducing the supply of water to Iraq, which flows from the two reservoirs they control. It says

that there is less water because of poor rainfall. It is unlikely that the PUK would deliberately provoke Iraq at the moment because it is heavily reliant on Iranian support and has little money. Its rival, the KDP, controls the lucrative cross border trade in oil products between Iraq and Turkey. The Iraqi motives for increasing the political temperature at the moment are unclear, but the Kurds are nervous because three times in the past – the invasion of Iran in 1980 and of Kuwait in 1990 as well as the incursion into Kurdistan last year – Saddam Hussein has gone further than anybody expected. The failure of the US and its allies to use their planes, which overfly northern Iraq against his tanks last year has underlined his military predominance in the area.

**FREE \$250 BUNDLE**  
Offer ends Saturday 17th May

## Buy Now, Pay November... Our Best Offer Yet!

"The MESH Genius! 133 Connect is another astonishingly quick machine. It isn't, however, astonishingly expensive, and you can't help but wonder how MESH manage to do it. A super all-rounder at a super price."

What PC? BEST BUY - October 96

**MESH Genius! 133 Connect**

Features: Build Quality, Value for Money, Performance, OVERALL

**\*3 ways to pay!**

Pay Now - Delivery within 5 days  
Pay the whole amount by credit card or cheque.  
Total Price = £1056.33.

0% Six Months Interest Free Credit  
No Deposit and nothing to pay for 6 months.  
Total Price = £1056.33.

UNDER £200 Pay over 3 years  
No Deposit and nothing to pay for 3 months. Then £38.41/month for 36 months.  
Total Price = £1385.76 (incl. 9% APR).  
OR Pay £500 Deposit and then £19.75/month for 36 months.  
Total Price = £1211.00 (incl. 9% APR).

**Lifetime Achievement**  
At the PC Plus 1997 annual awards ceremony, MESH Computers Plc took the highly coveted Lifetime Achievement Award for producing Award Winning Systems with Excellent Service at a Competitive Price over the course of the last 10 years.

What PC? BEST BUY

"The MESH Genius! is stunningly quick. A superb all round system at a super price"

"Thus, our BEST BUY award goes to MESH for the Genius! 133 Connect - a well-designed machine that represents excellent value for money"

What PC? - Oct 96

**Special Offer Price**  
**£899**  
+ VAT  
**£1056.33**  
incl. VAT

**Genius! 133 Connect**

**'The Perfect Home Office PC'**

- 133MHz Intel Pentium Processor
- 256Kb Pipeline Burst Mode Cache
- 16Mb Fast EDO RAM
- Huge 2.5Gb Fast Access E-IDE Hard Disk
- 2Mb ATI Mirage 64 Graphic Accelerator
- Superb 14" SVGA Colour Monitor
- 12 Speed CD ROM drive
- Integrated SoundBlaster 16
- Stereo Amplified Speakers
- Windows 95 Keyboard & Microsoft Mouse
- Microsoft Windows 95
- NEW Lotus SmartSuite 97
- Full Backup & Service after Delivery for 12 months including FREE Hotline Support
- FREE 33,600 Fax Modem with Voice Messaging & Pipex Internet access\*
- FREE Family CD Bundle\*
- FREE Serif PagePlus 4 DTP Software\*

**15" FST Digital SVGA Colour Monitor**  
option add £70 + VAT

**MESH COMPUTERS PLC**  
MESH House, Apsley Way, London NW2 7HF  
Tel: 0181 452 1111. Fax: 0181 208 4493  
E-mail: sales@meshpc.co.uk  
www.meshpc.co.uk

**Buy Now!**  
Every Genius! 133 Connect system purchased before Saturday 17th May will come with a...

**FREE \$250 Bundle...**  
Including 33.6K Voice Fax/Modem, Serif PagePlus DTP package, Hutchinson's Encyclopedia, Formula One Grand Prix, Helicopt, French Gourmet Cuisine, ANDROUTE and the superb Egmont Money Guide.

**Offer Ends 17th May**

**TO ORDER CALL 0181 452 1111**

**THE World of Lily Wong** by LARRY FEIGN ©1997

13 MAY 1997

HI! WE'RE CRYSTAL'S PARENTS. WE WANT TO KNOW ABOUT THIS PROPAGANDA SHE'S BEEN BRINGING HOME.

HA-HA. NOT PROPAGANDA.

HONG KONG SCHOOLS ARE JUST MAKING A FEW HARMLESS ADJUSTMENTS IN CURRICULUM, IN LINE WITH THE CHANGE IN SOVEREIGNTY. ALL IN GOOD FUN.

WING-LING! NOT HIM! THE EFFY OF CHRIS PATTEN IS OVER THERE!!

## COUTURE BEAUTÉ

FOR THE BEST-DRESSED FACES

**Hitler's deserter cleared**

Berlin (AP) — More than half a century after he was beheaded for desertion, a Catholic sexton was cleared by a Berlin court yesterday of a Nazi-era conviction for refusing to serve in Hitler's army.

Franz Jägerstätter, who was drafted after the annexation of his native Austria, sought to be excused for service in Hitler's army for religious reasons.

His appeal to be assigned non-combat duty was refused, and a field court sentenced him to death in July 1943 for treason. The Nazis executed numerous religious faithful who sought exemption from military service, or were singled out for other acts of resistance.

The Berlin court has been actively reviewing Nazi-era verdicts at the request of survivors, religious organizations or others, and last spring lifted convictions against three people.

Jägerstätter's widow petitioned the court to dismiss the conviction before the 50th anniversary of his birth, on 20 May.

The Catholic diocese in Linz, Austria has begun investigations necessary to beatify Jägerstätter, a step toward sainthood.

**JOIN NOW FROM JUST £40**

To join, call 0800 444 445

Why

John Lichfield

Rafsan  
Iran q

Steven Scalet

New

We've an  
adviser ne

هكذا من الاصل



# Why France won't vote for Europe

**John Lichfield visits Maubeuge, a key seat in parliamentary elections**

The Mayor of Maubeuge is struggling patiently to explain a paradox. Yes, his town is one of the key, swing constituencies in the French parliamentary elections. Yes, its position, on the Belgian border, within 100 miles of five EU countries, means that its future prosperity lies with Europe not just with France. But, no, his constituents – he is the sitting, centre-right MP – have little enthusiasm for the election campaign. And, no, they have no interest in the European questions on which the election was supposedly called by President Chirac.

Blinkered apathy? Doubtless, that would be the Parisian viewpoint. Jean-Claude Decagny, 58, comes up with a more poetic phrase: "Their valley is their whole life."

"Me, I am fiercely European. Anyone who thinks about the future of France, and especially of Maubeuge, has to be European. But, to be quite honest with you, Europe is not something which voters think about or care about, even here, 70 kilometres from Brussels. They care about jobs. Europe means jobs. But they will not make the connection."

What else do they care about? The local impact of immigration; local crime rates; and the fact that the motorway and TGV line pass 30 miles to the west, leaving Maubeuge in a kind of transport limbo.

All politics are local; and geography is history. The story of Maubeuge is a history of collisions between these two truisms. Precisely 57 years ago today, the town, which lay across the route of the invading German army, was flattened by the Luftwaffe. In the 1980s, the heavy-metal industries of the Sambre valley were devastated by obsolescence and international competition. Maubeuge recovered, in pleasant, concrete anonymity, from the first calamity but is still paying, with 22 per cent unemployment, for the second.



Maubeuge is, in Peter Snow terms, a key marginal, a naturally left-wing seat which went to the centre-right in 1993 as part of a nationwide revulsion against Mitterrandism. But no swingometer could help much here. The cleverest chess-playing computer would have trouble in sorting out the mish-mash of local and national arguments on 25 May between 13 candidates, including a powerful National Front challenger, two rival Socialists and 10 left-wingers.

The mayor, Mr Decagny, is running with as little reference as possible to the unpopular coalition to which he belongs in Paris. The Socialists are divided between official and unofficial candidates, because local activists refused to accept the official choice, Jacqueline Bard. She was imposed, they say, by dubious means, to achieve the national target of a 30 per cent female field of candidates. (Her opponents say the problem is not that she is a woman,

but that she is an outsider). The unofficial Socialist, Umberto Battist, is the former MP. He is still on the national committee of the party and vice President of the regional council. It was precisely this kind of Socialist disarray which Mr Chirac hoped to provoke with an early poll.

The outcome in Maubeuge depends on whether Mr Battist makes it into the second round on 1 June. To do so, he has to score 12.5 per cent; not of those voting, but of those

eligible to vote. On a low turnout, he might need 20 per cent of the actual votes cast. If Mr Battist fails to qualify, the mayor will certainly win the second round against the Front National on 1 June; if he succeeds, the seat will be a three-way toss-up. It could go to the far-right; to Mr Decagny again, or to Mr Battist.

In short, the politics of Maubeuge is a mess, but a fascinating mess and an instructive mess. The results of scores of other seats – and an elec-

tion which could throw out political calculations across Europe – depend on similarly local, abstruse, opinion poll-defying calculations.

It was supposed to be quite clear. France (according to President Chirac) had to choose between the hold direction taken by the government (shrinking the state; entering the single currency) and confusions of the left (renegotiating Maastricht; spending money to create jobs).

In fact, Europe – and the euro –

Poverty gap: Women watch a tramp leaving St Pierre and St Paul church in Maubeuge, a marginal seat in forthcoming parliamentary elections  
Photograph: Brian Harris

have hardly played a part in the campaign so far. One would have expected the single currency, at least, to be an issue in Maubeuge, where four in 10 of people using the local supermarkets are Belgian; where petrol stations hardly exist because everyone fills up in the next country; where the local discotheques have been put out of business by the cheap (and livelier) ones over the border in Mons. (Maubeuge must be the only place in the world where Mons is a by-word for a fun-time).

Philippe Szymczak, 34, who runs a hardware business in Maubeuge, says the euro is a non-issue: "There is no great enthusiasm for the single currency, but no great opposition either. If people think about it at all, there is a kind of fatalism, an acceptance that the euro is probably the right thing for a medium-sized country like France. But also some anxiety about loss of control and sovereignty."

The most common complaint from the people of Maubeuge is that they are a forgotten town, at the scrag-end of a *département* which is itself the scrag-end of France. This seems to be an absurdly pessimistic and old-fashioned reading of the atlas. Turn the page, and you see that Maubeuge is at the heart of the most prosperous part of the European Union.

Mr Battist says this argument may be correct, in the long term. But like the government's arguments about EMU, it is too abstract to have much meaning in real campaign politics. "Twenty years, 10 years from now, Europe will bring us prosperity. That means something to the clever people in offices in Paris. I believe it myself. But it means nothing to a man who is unemployed. He wants to know how he is going to make ends meet next week, not in 10 years' time. It's no use showing the atlas of Europe to him."

## Rafsanjani tours Iran quake zone

Steven Swindells  
Reuters

Qayen, Iran — The Iranian president interrupted a foreign visit yesterday to inspect devastation caused by the huge earthquake which killed about 2,400 people at the weekend.

Akbar Hashemi Rafsanjani flew to Birjand, one of two regions in eastern Iran rocked by Saturday's quake, from neighbouring Turkmenistan. He visited villages in the area at the Afghan border before heading to Qayen, near the epicentre of the earthquake which levelled some 200 villages and injured some 6,000 people.

Survivors of the quake were still scrambling among the ruins of their homes and burying their dead yesterday while waiting for international aid in response to an appeal by the Iranian government.

An Iranian Red Crescent spokesman said rescue workers would comb the quake-stricken areas one more time for survivors and bodies before winding up their operations.

In the rubble of the villages hit hardest, men, women and children wept and wailed and picked through the debris of their mud-brick homes searching for something to salvage.

The government said it would pay 500,000 rials (£103) to every person who lost a relative, the Iranian news agency said.

A new quake hit north-west Iran yesterday, but there were no casualties or damage, the news agency said. About 1,000 people were killed there by a quake in February.

Quake-prone Iran, accustomed to dealing with natural disasters, appealed through the United Nations for international aid. Iran's Gulf Arab neighbours Saudi Arabia, Kuwait and the United Arab Emirates said they were flying in aid. So did Egypt.

Clare Short, Britain's new

Secretary of State for International Development, yesterday announced a £100,000 initial disaster contribution. She said the money would go to the Red Crescent, the Iranian arm of the Red Cross. A Scottish-based rescue group, the International Rescue Corps, which specialises in rescuing trapped people, said its offer of help to Iran has been turned down.

The German Foreign Minister, Klaus Kinkel, said that Bonn would not let a diplomatic row with Iran get in the way of helping the country's earthquake victims and pledged 500,000 German marks (£183,000) in relief.



In ruins: A car lies beneath the rubble of an education ministry building in the village of Qayen. Photograph: AFP

## How to win the colonel's trust by passing the old grey testicle test

### AZERBAIJAN DAYS

There is no doubt it was the turning point in our conversation. The colonel stopped feeding carp bones to the ducks at his feet, wiped his fingers, and – with the relish of a chef selecting an especially tasty morsel for a favoured client – handed me a testicle. To eat.

Soldiers distrust journalists; always have, always will. In the West, they corral us into reporting pools, harpoon us with accreditation badges, and woo us with threats and flattery. In Azerbaijan, more traditional methods apply. Woe be to those who balk at a ball, albeit one that merely hung between the woolly thighs of a sheep.

We had been dining for about an hour, sheltering from the sun at a small table in a pavilion beside a lake in this border field – poppy-dotted meadows, vineyards and cedar groves that roll over the hills westwards towards Armenia. Barbecued lamb had come and gone. We had shared corn-fed chicken, walnuts, long leaves of fresh tarragon, fresh carp from the lake, and slithers of ivory-white sheep's cheese.

But Col Murad Hadimov, though impeccably polite, remained aloof. It was obvious he was manifestly unconvinced by this civvy, this multi-clad western journalist who had swept in from miles away to inspect the

north-western border, propelled there by rumours of fresh fighting with the Armenians. Moreover, I had disgraced myself by asking an incomprehensibly foolish question; for reasons that can only be explained by rote-learning social niceties, and perhaps also by his

It was in my mouth did some instinct – some inner voice, triggered by its texture – whisper "ball, ball, ball".

Confirmation came when one of the colonel's colleagues, pleased to see it swallowed, cried "testikule!" By then, it was too late. I had also shared several vodka toasts, to ourselves, our hosts, Azerbaijan's shrewd president, Haidar Aliyev, and so on, which softened the blow.

The colonel seemed pleased to see his offering consumed. He rewarded us with a toast to journalists "with fire in their hearts" – a reference, one assumes, to one's passion for the job, rather than the heart-hum that seemed certain to follow. Throughout the meal he had singled out pieces of meat for me, including a large lump of white sheep's fat and a slither of heart, imploring me to eat with my hands. "Guests come out of the skies, but are all from the same earth. Put your fork aside and eat with your fingers," he said.

But testicles were of a different order. They were only to be eaten by men, he explained (partly for the benefit of my female colleague from the Mel-

bourne Age, who had to make do with a toast to her bravery as a woman). It was clear they were a testimony to one's potential for bravery, one's credentials as a solid fellow, who could be trusted to listen to Azerbaijan's grievances about Armenia's occupation of Nagorno-Karabakh.

Like a First World War officer, reprieve after an excellent lunch, Col Hadimov announced that it was time to set off for the front. We washed our hands in vodka; pulled on some khaki uniforms, climbed into a jeep and rattled off over the hills.

High in the woods, the colonel showed us his fresh-faced troops in their trenches, staring intently through the trees, listening for suspicious movements from the other side but hearing only creaks and woodpeckers. We were shown trees dotted with bullet holes; we were introduced to a handaged young man, apparently one of six injured in violence the day before.

Of these matters, more at another time. But as we strolled along the border I found myself wondering: would I have seen this, and have been allowed to report it, without accepting the colonel's offer? One will never know. However, it lends a new meaning to Voltaire's remark that "the composition of a tragedy requires testicles".

Phil Reeves

Only when it was in my mouth did some instinct whisper 'ball, ball, ball'

and seriously discuss the three-year ceasefire, which has held, albeit shakily, despite Russia's gift to Yerevan of \$1bn worth of arms, including Scud missiles. Journalism in the former Soviet Union is full of such trials. Here, the public relations industry – the curse of the serious news gatherer – is largely absent. Our chief scourge comprises officials who, when asked a sim-

**New central heating? Call now – nothing to pay till '98\***

**Free, no-obligation quote**

**We've an expert adviser near you**

**Call 0345 754 754**  
Local rate call. Please quote ref EOP2

**or post this coupon today**

Please send me details of Celsia central heating ☐

I would like an appointment with a Technical Sales Adviser ☐

Name

Address

Postcode

Tel

Please complete and return to: British Gas Services, Freeport CV290B, Stratford-upon-Avon, Warwickshire CV37 9BR  
No stamp required. EOP2

**British Gas**  
Services







# Foreign policy needs a portrait in realism

By their wall-hangings shall ye know them. Robin Cook has ordered the removal of the official portrait behind the Foreign Secretary's desk, that of a nondescript 19th-century colonial official. Instead he wants something forward looking, more appropriate to the modern talk about human rights, trade and environment heard yesterday when he introduced Labour's mission statement. But what?

Who is an appropriate icon for Britain abroad on the cusp of the 21st century? Perhaps Mr Cook should bold off touring the National Portrait Gallery until he has given us a more considered version of what Labour's foreign policy is to be. All praise for the way he opened the batting with his public mission statement. He has got the rhetoric out of the way early and can now concentrate on specifics. But don't we still need a bit more rigour in thinking through the foreign and defence stances – and the interplay between them – of a Britain hovering around eighth in the list of world powers as measured by economic potency? Where were the signals, yesterday, to George Robertson, the Secretary of State for Defence, and his forthcoming defence review? Is it steady as you go, or a heavy tilt to port? The Foreign Secretary has been busy of late: perhaps he has missed the latest recruitment advertisements of the Royal Air Force which seem to suggest that the rationale for this expensive mil-

itary organisation is dropping food aid to the starving. Is that the purpose of the new European fighter?

There is no point in looking for some comprehensively coherent statement, good for all time, that is equally relevant in Riga and Riyadh. British foreign policy will always be messy. There are, after all, scores of new Labour MPs with defence installations in their backyards who will quickly become supporters of the military-industrial status quo. Meanwhile, Mr Cook's talk of leadership in Europe is both ambitious and ambiguous. This is a country, after all, whose public and political class – Robin Cook included – mostly entertains a conception of European unity essentially different from that held in France, Germany and Italy. How revealing was his definition of what he would like the EU to be: a union of independent nations working together merely when they have common problems.

British foreign policy is cursed by its imperial history, having to deal with the fag ends of Empire on a string of islands and dependencies across the globe. Labour will find the Falklands and Gibraltar no less intractable than their predecessors. As for the environment: thanks to John Gummer, the Rio summit gave Britain an international reputation for environmental leadership. It has since been betrayed by the absence of domestic policy change. If Robin Cook starts talking green abroad, he



ONE CANADA SQUARE CANARY WHARF LONDON E14 6DL  
TELEPHONE 0171-293 2000 / 0171-345 2000 FAX 0171-293 2435 / 0171-345 2435

should make sure local authorities, railway operators, road toll-chargers and Treasury taxmen are all in line at home.

It would indeed be welcome if British officials could in future be relied upon to think about the human rights consequences of their actions. But Foreign Secretaries need to take care. High ethical banter at the conference table has to be matched by the practice of British visa issuers in Islamabad and the eavesdropping by British intelligence gatherers in Cheltenham (unofficially or not). An unstinting ethical approach to foreign affairs would forbid trade with China and make negotiation with Lau-

rent Kabila tricky; yet both are necessary, for the sake of British interests, and because pursuit of the least bad alternative is not an ignoble way of conducting affairs. If he is in the market for portraits, Robin Cook might do worse than nip round to No 10 and contemplate WE Gladstone, who stormed into power on the back of a human rights campaign but within months was ordering the bombardment of foreign ports.

Mr Cook might also usefully spend a few moments communing with his colleague Baroness Blackstone, the new Labour spokeswoman on higher education in the House of Lords. She might

be asked to rummage in her files and pull out the notes she made on that ill-fated foray by Jim Callaghan's think-tank into examining British embassies abroad, and their hospitality and their laundry bills. The odds are, her notes would still have a point.

Which leads to the key question of Mr Cook's tenure: whether there is, still, too great a disparity between Britain's "objective" weight and its diplomatic standing and military power. Should a Labour Foreign Secretary, especially a New Labour one, bring foreign policy more into scale with Britain's economic standing while downsizing the public's expectations? We are still over-extended – which is, at least potentially, to be too puffed up. Does Britain need that seat on the United Nations Security Council?

The answer does indeed run along the lines Mr Cook suggests. Yes, our status arises partly from being historically entwined in a bundle of entangled alliances and allegiances (Nato, Commonwealth, former colonies, etc.). We also derive some of our above-weight punch from, let's face it, being the cradle of the world's lingua franca, being culturally inclined to open trade, being a world centre for the movement of money. To that extent the old Thatcher rhetoric carried some vein of truth. But only a narrow vein. Really, everyone knew all along that the old days of being a free-ranger on the high diplomatic

seas are long, long gone, and that the Tories grossly overstated our place in the world. Our true value to the Americans, to take the most obvious case in point, lies in becoming an engaged, active and potent force within Europe. If we were to step off the edge of Europe, American presidents and diplomats would soon be inclined to fly straight past Heathrow and on to Bonn and Paris without stopping. The most ethical and upstanding foreign policy in history won't change that.

## Bright and beautiful

Is it a sin to look good? Certainly not. If, as we report today, the clergy want to smarten up their style a little, dye their cassocks lime green, throw a bright orange sash over one shoulder, then fine – so long as they don't start trying to wiggle their hips all the way down the aisle, or slip on a see-through number for the sermon, how can anyone complain? The thing is though, as soon as vicars break out of black and white, the rest of us are all going grey: Gordon Brown, we learn, wants to wear a lounge suit to the Mansion House; no bow-tie and tux for him. Which is a great pity really. He ought at least to allow us one good laugh a year.

## LETTERS TO THE EDITOR

### Unfair voting system worse than ever

Sir: There have already been two post-war elections (1951 and 1974) when the party receiving the largest total vote won fewer seats than its rival. An analysis of the 1997 results shows that this potential distortion is now far greater.

The Labour lead nationally was 13 points. A uniform swing of 6.5 per cent from Labour to Conservative, giving an equality of total votes, would nevertheless award Labour 78 more seats than the Tories, and an overall majority of 15. For the Labour and Tory shares of seats to be equal would require a Tory lead of over 6 points, while they would need about a 10-point lead to secure an overall majority.

Regardless of one's political allegiance (and I have always been anti-Tory) this distortion calls for some form of PR before the next election.

ALAN PAVELIN  
Chislehurst, Kent

Sir: As a wholehearted supporter of proportional representation, I am heartened to see that the election of a Tory leader is not left to the vagaries of the first-past-the-post system. Not for them a leader representing only a minority of the electors.

How nice it would be if they could see their way to extending this privilege to the whole of the United Kingdom (including the many now disenfranchised voters of their own party), by abandoning at last their support for the present outdated system, and ensuring that the present parliament is the last in which we are governed by a party elected by a minority.

JOY KNOWLES  
Leader Liberal Democrat Group,  
Boston Borough Council  
Boston, Lincolnshire

Sir: It is immoral and dangerous that some voters should be required either to vote with their conscience but ineffectively, or effectively but against their first preference, for the lesser evil of the two candidates who have a chance of winning.

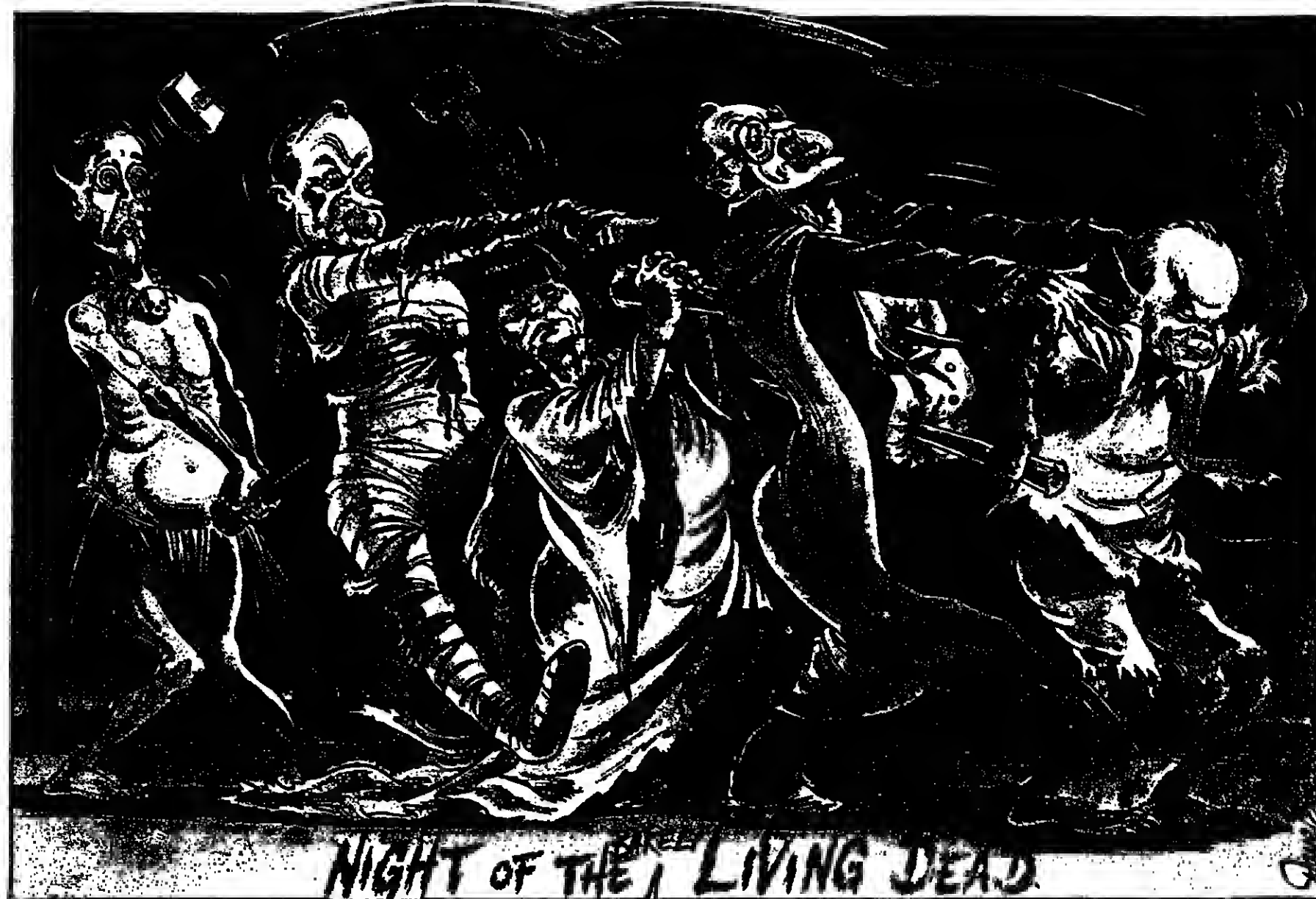
It is not enough that parties should have MPs roughly in proportion to the votes cast for them; it is essential too that those MPs should all have been chosen by the voters, not wholly (as in Israel and South Africa) or partially (as in most of our EU partners) by the party machines.

A system (STV) which gives power to the voters exists now. If it is good enough for the Irish, why isn't STV good enough for us?

SIMON GAZELEY  
Bath

Sir: A possible reform of the voting system would be to combine the retention of first-past-the-post in the House of Commons.

In the Commons the voting could be by the use of an electronic card bearing the member's name and party. The computer would store information on the number of members representing each party together with the national percentage of the total votes cast for that party. Each total vote cast for that party would be MP's voting strength could thus be "weighted". For instance, if a party wins 430 seats on 43 per cent of the national vote, the calculation (430/43) x 100 = 10 gives each of its MPs 10 units of voting strength. Similarly, the MPs of a party with 170 MPs on 34 per cent of the



national vote would each have 20 votes in the House.

If all members from one party voted together their voting strength would reflect the proportion of votes cast at the election. Voters would mark their ballot papers as at present and there would be no "wasted" votes except those cast for a party which obtained no elected member.

A CINGALL  
Dover, Kent

### Official snoopers in cyberspace

Sir: The last government issued in March a consultation paper for proposed legislation on public use of encryption and related matters. We are at risk of allowing bad law to be passed. Time is short as the Government requested responses by the end of May.

The core of the proposals is that for any two unrelated entities to exchange secure electronic communication would require the use of a Trusted Third Party (TTP). These TTPs would hold copies of everyone's encryption keys. At the request of the authorities the TTP would have to supply specified keys within one hour. It is as if all householders had to deposit a key to their house with, say, a local bank (and be charged for the privilege) and the police were allowed to request the keys and gain access to your house at short notice, without any reference to you or any independent legal representation.

How can we be sure that once the authorities have obtained a set of encryption keys these will be used solely for the detection of

crime? A law similar to that which governs search warrants would be suitable, so that on presentation of a suitable warrant one is obliged to provide, to the authorities, the plain text of any specified encrypted communications or be held in contempt of the courts.

The proposals have the potential to make secure communication between unrelated parties prohibitively expensive for the vast majority of the public. I welcome the introduction of regulated TTPs, but one does question why the Government feels it is essential to have access to all electronic communications when I choose to send encrypted material through the traditional postal service no third party has right of access to the plain text.

DAVID HAYLING  
Ashford, Kent

### Deep Blue is not that clever

Sir: While the victory of Deep Blue over Garry Kasparov demonstrates that the machine certainly does play a mean game of chess, the implications for artificial intelligence are less clear.

Intelligence should be a measure of quality of thought, not speed of processing. A very simple program could be written to beat Kasparov provided it could run on a machine of sufficient (currently unobtainable) speed – just evaluate every possible move.

Kasparov's brain is said to

process moves at two per second. The quality of his "program" – i.e. intelligence – is such that it almost matches Deep Blue's program executed on a machine running at 200 million moves per second. Roughly speaking, that makes Kasparov 100 million times more "intelligent" than Deep Blue.

To make it a fair test of intelligence – not speed – slow down Deep Blue to two moves per second, run the same program and see who wins.

PETER EVANS  
Bristol

### GCSE needs more essays

Sir: Judith Judd's article "Pupils should write more. Discuss" (12 May) raises an important issue for students wishing to study GCE A-level history. Since the demise of the GCE O-level there has been a decline in the number of opportunities students have to engage in essay-writing. Until the advent of Key Stage 4 history, only one syllabus (NEAB Syllabus B, Modern World History) still retained the essay question as a feature of a terminal examination.

However, through the medium of coursework, virtually all GCSE syllabuses allow students the opportunity for extended writing. Although I agree with the general thrust of the argument put forward by Chris Husband of Warwick University and Christine Counsell of the Historical

Association about the need to reinforce and extend the importance of extended writing at GCSE history, it could have unfortunate side-effects. At present, history is perceived to be a relatively demanding GCSE option because of its extended writing demands. Since the launch of Key Stage 4 GCSE there has been a 17 per cent fall in the number of students taking GCSE history. Any further attempt to increase the demands of GCSE history will exacerbate this trend. Rather than increase the demands of GCSE history alone, surely the way forward would be to increase the opportunities for extended writing across a wider range of GCSE subjects.

DERRICK MURPHY  
Altrincham, Greater Manchester  
The writer is chair of the history committee of the Northern Examination and Assessment Board

### Rights for all sentient beings ...

Sir: George Garner (letter, 6 May), fails to address the central issue concerning Cardinal Hume's comparison between abortion and slavery. Cardinal Hume condemns slavery on the grounds that it violates a basic human right, the right to liberty. Similarly, his critique of abortion is based upon the belief that it too involves the violation of a fundamental human right, the right to life. If one accepts that the foetus is a member of the

human species, whilst simultaneously believing that all such members have, at the very least, *prima facie* rights-claims, then the logic behind the comparison becomes obvious.

What is perhaps not so obvious is that the logic of Cardinal Hume's position takes him much further: for once one accepts the case for foetal rights, one is then led to conclude that the various cited criteria used as a basis for granting rights to the human species alone – its ability to think rationally, to use language, to transcend its environment and so on – must be disregarded, as they clearly can not be applied to the foetus. One can then see the possibility of a more inclusive conception of the moral community, one in which all sentient and potentially sentient creatures are regarded as being rights-bearers and as having fundamental interests which must, as a matter of justice, be accounted for. Such an attitude, once widely accepted, would truly herald the dawn of a more just and decent society.

PAUL REES  
Heme Bay,  
Kent

... except fish?

Sir: Tony Banks, the Minister for Sport, is strongly opposed to all blood sports. He should get the Nobel Prize for hypocrisy if he implements the Labour Party's manifesto promise, in its "Anglers' Charter", to encourage and heavily subsidise angling – by far the most widely practised of all blood sports.

Wing Cdr TOM HUDSON  
Buckingham

### Lawless cyclists: drivers hit back

Sir: Hugh Hollinghurst (Letters, 12 May) perfectly illustrates the dangers that cyclists often pose to pedestrians and drivers. Can you imagine any motorist writing to you with a straight face and saying that travelling the wrong way down a one-way street, far from indicating a disregard for the law or anyone else on the road, "reflects the woeful lack of provision for motorists"? DAVID WILLIAMS.  
London N3

Sir: How helpful of Hugh Hollinghurst to explain that what I had simply dismissed as selfishness and ignorance is in fact a protest against the lack of provision for cyclists. May I explain in my turn that when I exceed the speed limit in my car, I am actually not showing disrespect for the law. I am only hurrying in order to get my car off the road, the sooner to leave it free for cyclists? PHILIP CRESSWELL  
Oxford

Sir: I hope our new Under-Secretary for Transport in London, Glenda Jackson, will put her bottom where her department's mouth is – "To promote the use of public transport and curb the car culture" ("Who's who in the Labour government, 8 May) – and use public transport to get to Westminster rather than driving to work. TERRY HORSNELL  
Cambridge

### Give us back our County Hall

Sir: I think many of us with political and social views to the left of Joseph Chamberlain and Harold Macmillan would be heartened if London's County Hall – opposite, and complementary to, Parliament – could be restored to its old function and used to recreate a capital city we can all once again be proud of ("At last, Londoners rule themselves", 12 May).

Whenever I see the building I feel both angry and despondent that it was taken away from Londoners for petty and mean reasons and left the city the only metropolitan area in the world without an overall government. What a wonderful boost to Londoners' morale if ways were found to use it once again for its proper purposes.

Dr JAMES ANDREWS  
Shepperton, Middlesex

### Voucher poser

Sir: So nursery vouchers are to be withdrawn in the autumn. As this government's stated priorities are "education, education and education", it is safe to assume that to coincide with the withdrawal of vouchers a state nursery place will be made available for every four-year-old so that children whose parents could not afford a private nursery place without vouchers will not be deprived? I only ask. HUW JENKINS  
Wokingham, Berkshire

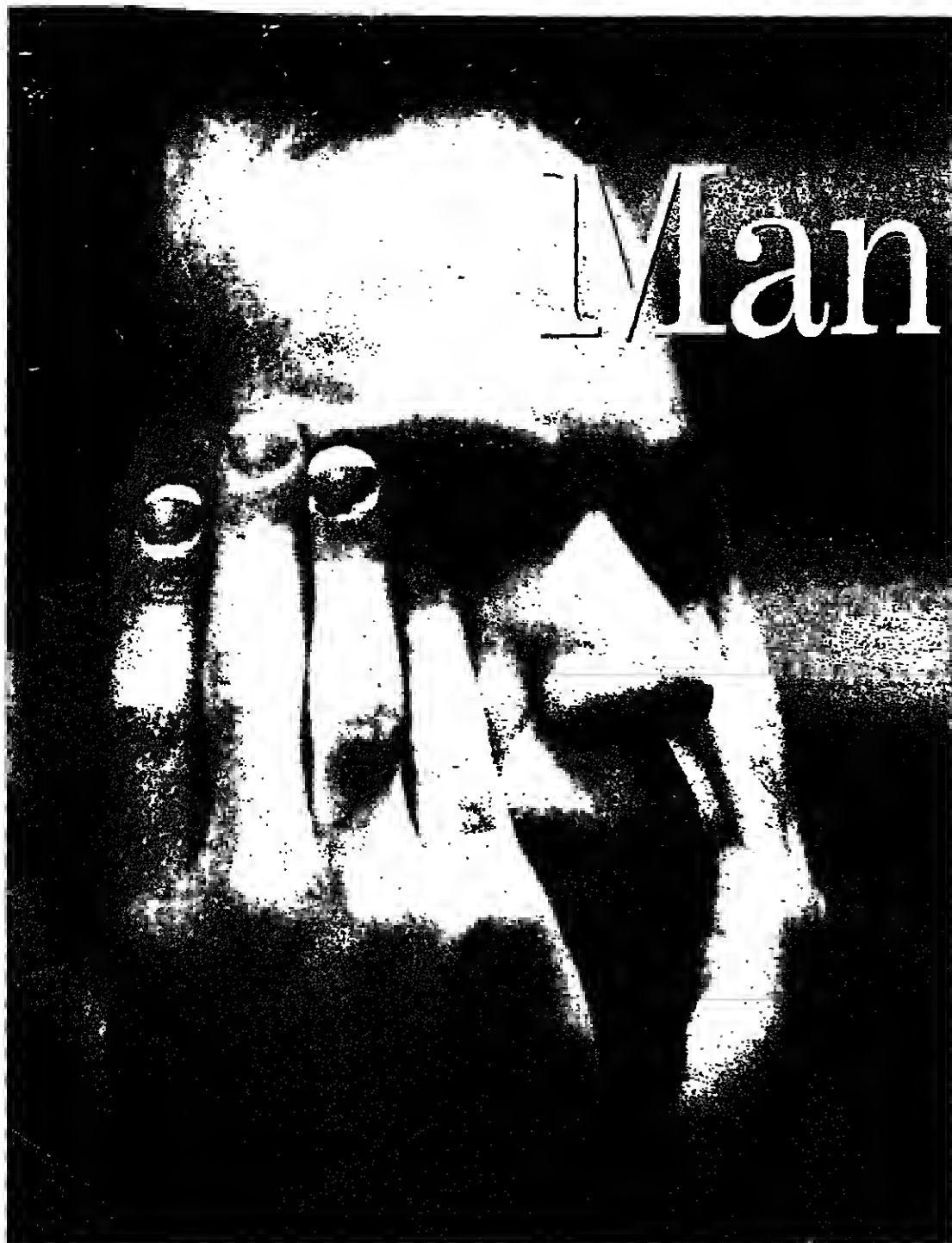
### Unscientific

Sir: In your published account ("Who's who in the Labour Government," 8 May), there appears to be a serious omission; there is no Minister for Science. STANLEY ALDERSON  
Cambridge

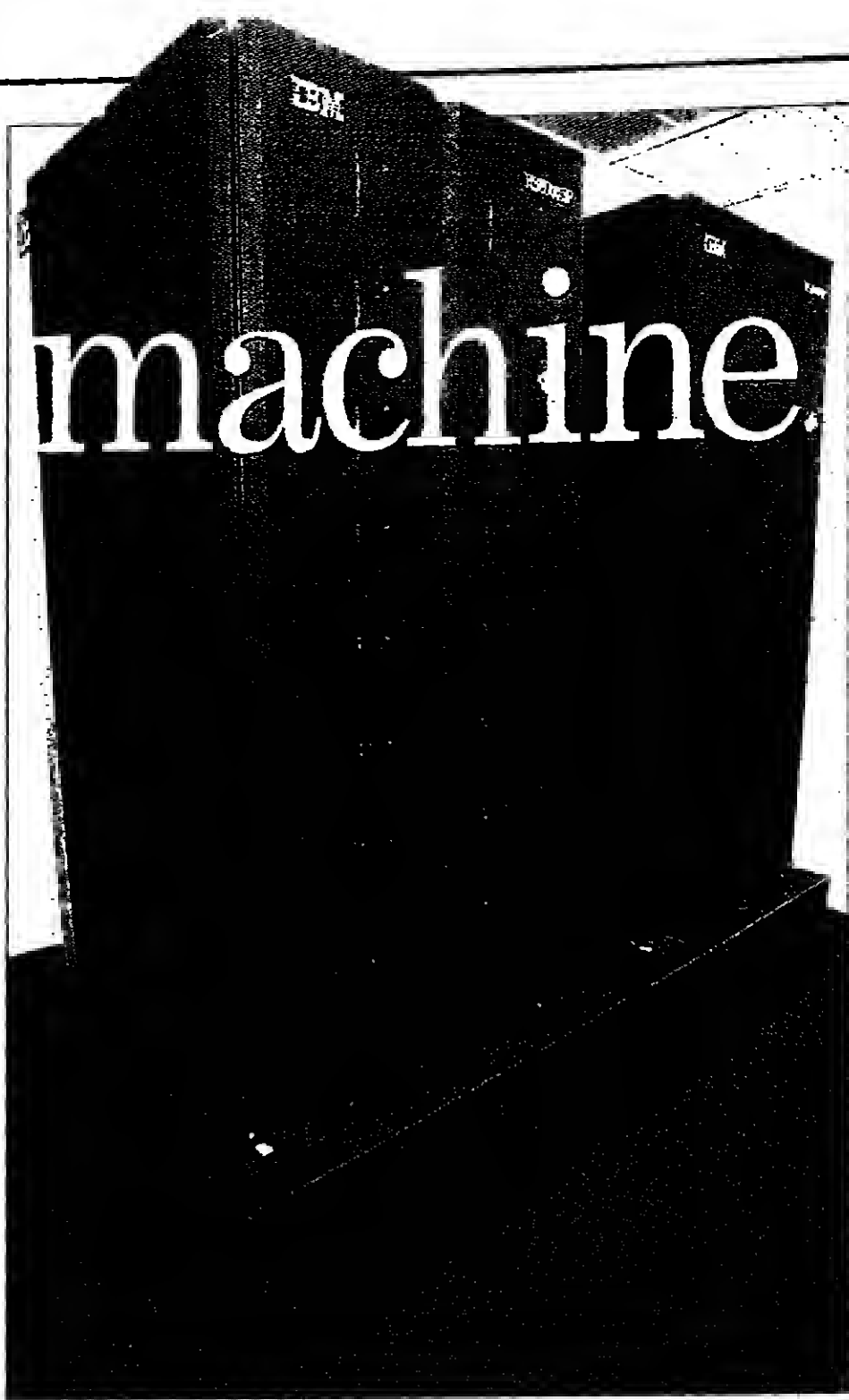
Post letters to Letters to the Editor, and include a daytime telephone number. Fax: 0171-293 2056; e-mail: letters@independent.co.uk. E-mail correspondents are asked to give a postal address. Letters may be edited for length and clarity. We regret we are unable to acknowledge unpublished letters.



## analysis



Outflanked: but the waste of effort expended by Deep Blue (right) in its victory over Garry Kasparov (left) may be said in human terms to represent mechanical stupidity rather than intelligence



## Man v machine

Does the defeat of Kasparov by the Deep Blue computer mean that humans are no longer the only possessors of true intelligence? Michael Lockwood argues that whether a computer can genuinely think or not, silicon chips are not capable of consciousness

**T**he dramatic defeat of the world chess champion Garry Kasparov in a six-game match by an IBM computer, Deep Blue, raises a host of questions about the nature of human intelligence and the possibility of simulating it mechanically. Some will insist that Deep Blue no more possesses genuine intelligence than does a pocket calculator; others will take Kasparov's defeat as evidence that we ourselves are nothing more than very complicated machines. So who is right?

Well, what is certainly true is that today's chess-playing computers do not play the game in remotely the same fashion as do their human adversaries. Deep Blue, it is said, can examine 200 million distinct states of the board in a single second, whereas a human chess-player can only examine, perhaps, two such states. But then most of the computer's labour would, from the perspective of an experienced human player, be

so much wasted effort: a matter of pursuing the possible consequences of moves that the human player would rightly dismiss out of hand.

Pattern recognition plays a crucial role in human chess-playing, but is largely lacking in computer chess programmes. Human players see positions on the board as relevantly similar to those they have encountered previously, but they would be hard put to say in what precise respect the current and the remembered positions resemble each other; this makes it difficult to program such knowledge into a computer.

But what Deep Blue lacks on the pattern recognition side, it more than makes up for in sheer speed. So it is with much of today's so-called artificial intelligence. It's not so much artificial intelligence. In our sense of the term, as incredibly rapid "artificial stupidity", where exhaustive and indiscriminating searches produce results we would achieve, if at all, only by highly selec-

tive searches guided by insight. However, one shouldn't allow such considerations to make us too complacent about the claims of artificial intelligence. First, bugs strides have already been made, and will doubtless continue to be made, in the field of pattern recognition, by so-called neural networks. A neural network (which normally exists only as a simulation on a conventional computer) can be thought of as a vast array of very simple processors, analogous to neurons in the brain, connected up in such a way as to enable the system to learn various prescribed tasks (where performing the task means producing certain outputs in response to certain inputs).

Information about the appropriateness of the system's outputs is repeatedly fed back into the system, and causes the strength of the connections between the processors to be adjusted so as to improve performance. This technology is likely, in due course, to make it possible to devise chess pro-

grams that play in a far more human fashion than Deep Blue, and which are capable, moreover, of learning from their mistakes.

Beyond that, there are some powerful theoretical arguments, deriving from the work of Alan Turing in the 1930s, which suggest that, in principle, the cognitive powers of the human mind could be matched by any suitably programmed conventional computer with sufficient memory and speed of operation. Modern computers (apart from their limited memory) are implementations of what is known as a universal Turing machine.

**A** Turing machine is an imaginary device (incorporating a reading, erasing and printing head which operates on a moving paper tape) which was invented by Turing in order to give a precise meaning to the concept of performing some cognitive task mechanically – multiplying two multi-digit numbers together would be an example of such a mechanical task.

Different Turing machines, as originally conceived, are designed to perform different tasks. But Turing showed that you could build a universal Turing machine which, given (on its tape) a description of any particular Turing machine, could then replicate the behaviour of that machine. And this, in essence, is what a modern, general-purpose computer is designed to do: programming a modern computer is, in effect, a matter of instructing it to behave like a particular Turing machine.

Now we shouldn't ordinarily

think of our own cognitive activity as purely mechanical. To be sure, we spend much of each day engaged in routine tasks which call for little or no creative thought (if, indeed, they call for any thought at all). But we also do other things, such as composing a letter to a friend, which do seem to us to involve creativity. And, indeed, it is true of most classes of mathematical problems that there is no general automatic prescription for solving them. To that extent, doing mathematics, like playing chess, is itself, in general, a creative activity. But the fact that a person writing a letter to a friend, or a mathematician trying to prove some theorem, isn't operating according to conscious rules, doesn't exclude there being, at some level, rules at work governing the relevant thought processes; rules, moreover, which could in principle be programmed into a computer.

Evidence, after all, suggests that all mental activity is a manifestation of the workings of the brain. And the brain, being a material object, is presumably subject to the self-same laws of physics that govern matter elsewhere. These laws themselves appear to be such that the behaviour of anything which obeyed them could in principle be simulated by a universal Turing machine; ie by a suitably programmed computer.

Those who are impressed by this line of argument confidently expect that it will eventually be possible to program computers in such a way that they can pass themselves off as human beings in conversation. Turing himself proposed this, in

1950, as the acid test of whether a computer could think. He imagined a human being and a computer engaged in an "imitation game" with a human interrogator, whose task was to try to tell, on the basis of their answers to his questions, which was the human being and which was the computer. The computer would be programmed to answer the questions in as human a manner as possible, while the actual human being would try to persuade the interrogator that he or she was the real human being.

Turing argued that a computer which was capable of fooling such interrogators at least 50 per cent of the time should be regarded, not only as engaged in successful simulation of thought, but to be genuinely thinking. (We could imagine a similar set-up involving chess, with a human player simultaneously playing, via some remote link, a human player and a computer, and trying to guess which was which. Programming a computer to win a chess version of Turing's imitation game would clearly be a different matter from programming it merely to beat the human chess "interrogator" at chess: it would have to play like a human being, right down to making the sorts of mistakes a human would make.)

This Turing test has been enthusiastically embraced, by many contemporary workers in the field of artificial intelligence, as a test not merely of whether a computer is genuinely thinking – whatever that means – but of whether it is conscious. Indeed, some of Turing's remarks seem to imply

that he himself regarded his test in this way.

The Turing test, thus interpreted, raises two questions which must be distinguished from each other. First, will it ever be possible to programme a computer to pass the Turing test? People who answer "yes" to this question are said to believe in "weak AI" ("AI" meaning artificial intelligence). Second, if a computer could be constructed and/or programmed to pass the Turing test on a regular basis, at least as often as the average human being would, should it be credited with consciousness? People who believe in weak AI and answer "yes" to this second question are said to believe in "strong AI".

**L**et us suppose that weak AI is true, and that in the fullness of time experts in artificial intelligence succeed in programming computers (operating on essentially the same principles as current ones) reliably to pass the Turing test. Should we then conclude, in accordance with strong AI, that the computers are conscious, having "inner lives" comparable to our own? I think not.

Consciousness, as I see it, is a great mystery: nothing in our current understanding provides the smallest clue as to what it is, in physical terms, or why it should exist at all. But I take it that it is a biological phenomenon which evolved in response to various adaptive pressures: thus regarded, it is there only because it produces behaviour which conduces to the survival of our genes. Consciousness was nature's solution to certain

problems of adaptation. But what nature had to work with, in solving this problem, is very different from what we have to work with.

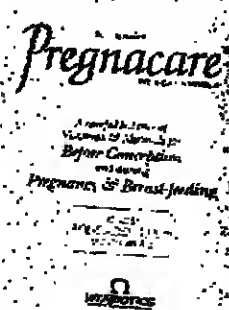
Think of nature as under pressure to engender, in animals, dispositions to produce certain sorts of behaviour in response to various sorts of stimuli. From the fact that nature produced the desired relationship between sensory input and behavioural output by creating consciousness, it doesn't follow that we, with our technology, cannot produce this relationship without creating consciousness. Baldly put, perhaps nature wouldn't have needed to produce consciousness, if she had had etched silicon to work with, rather than organic carbon.

Finally, wouldn't it be better, on the whole, if strong AI were false, always assuming that we could be sure? "Intelligent" computers would be much more useful to us if we could confidently treat them as mechanical slaves, rather than as sensitive beings with rights that we were morally obliged to respect. But if we are one day faced with computers that can pass the Turing test, and we remain unsure whether they are conscious or not, one might plausibly argue that we should give them the benefit of the doubt!

Michael Lockwood is a lecturer in philosophy at Oxford University. He is the author of *Mind, Brain and the Quantum* (Blackwell, 1989).

William Harrison analyses the final two games between Kasparov and Deep Blue in *The*

## If you are planning a baby, start here



Worldwide studies show that even with a good diet, extra specific nutrients may be very important – during and even before pregnancy. **FOLIC ACID** is vital to the development of your unborn baby. But it is not the only nutrient which is essential during pregnancy.

Pregnacare contains the recommended level of 400mcg folic acid, along with

a careful balance of 15 other vitamins and minerals to safeguard your requirements during pregnancy.

Pregnacare replaces your usual multivitamin. It is recommended from several weeks before conception, right through to the end of breast feeding. So, if you're already pregnant, or could be soon, start with Pregnacare right now.

**Pregnacare**  
ONE-A-DAY CAPSULES

Developed by experts for before and during pregnancy

Available from Boots stores, Tesco, Superdrug, chemists, health food stores and Holland & Barrett.  
\$4.95 per month's supply.  
For more information please contact VITABIONICS Ltd., Tel: 0181 963 0999



## Get your mazzard round these coglers

**I** came across a book on my dictionary shelf the other day called *Wiltshire Words – A Glossary of Words used in the County of Wiltshire*, which I couldn't remember having bought. This turned out to be for the simple reason that I hadn't bought it – a compliment slip fell out saying "With the compliments of the Wiltshire Life Society". I couldn't remember having ever received it either (or written to say "Thank you"), so with the energy born of guilt I started browsing through it, and I am glad I did so, because I think it may change my life.

This glossary is not a modern one. It is a reprint of one that appeared 100 years ago, produced by a team of gentlemanly philologists anxious to catch the form and flavour of Wiltshire dialect before it faded away, as most of it has. Many of the words, of course, have simply vanished with the things they describe – all the old agricultural tools, and the various ways of spreading out grass to dry, and animal words like "Martin" ("a call of doubtful sex").

But even the obsolete words give a definite flavour of the way life was lived back then...

"Coglers: The hooks, with coggled rackwork for lifting or lowering, by which pots and kettles were formerly hung over open fireplaces. Now replaced by 'Hangers'."

"Coglers? Hangers? I have never even heard these words before. On the same page of the glossary with "Coglers" is "Cocky warty", which is another name for leap-frog, and "Codlins-and-cream", which I dimly remember having come across in flower books. Yes, apparently codlins-and-cream is "The Great Hairy Willow Herb, so called from its smell when crushed in the hand..."

Ah, but what are codlins and what do they smell of? The Victorian authors assume that the reader will know, but I don't know. So I look it up in a modern dictionary and it is not there, though it does give "codlings" as "small apples" which may well be the same word...

All obscure and far away. And yet on the opposite page it gives the word "Conkers", which it defines as "a boy's



Miles Kington

game, played with horse chestnuts strung on cord, the players taking it in turns to strike ...", and you think to yourself, "Well, everyone knows that, why bother to put it in?" And then you think to yourself, "No, hold on, if they put 'conkers' in a regional glossary it can't have been well-known at the time – it must have been a Wiltshire term which has become well-known since."

There are other words like that in the book. "Gloxy-hole", meaning a tiny space

which takes odds and ends. "Moreish", referring to food which is so delicious that you can't help wanting more.

Now, I had always thought that "moreish" must be a new trendy coinage, and that "gloxy-hole" must be common slang, but no, there they both are listed as Wiltshire rarities 100 years ago, little bits of Wiltshire that managed to escape from home and make it big nationally.

Well, if "moreish" and "gloxy-hole" can make it into the language, so can other words, and I have been looking through the ancient glossary for words which I reckon might profitably be brought back into modern English. I quote like the sound of the word "mazzard", which has two quite different meanings.

1. A small kind of cherry. "Merry" is the usual Wiltshire name, "Mazzard" being more Devon and Somerset.

2. The head, but only in such threats as "I'll break thee mazzard vor thee!"

I also like the sound of the old word for greater stitchwort. I am the first to admit that I do not talk about stitchwort much (though I can recognise it all right) but

if I were to talk about it, I would much prefer to call it "Mother Shimbles Snick-needles", as they used to.

Not all ancient Wiltshire expressions were worthy. How about "Anan"? Or, in its shortened form, "Nan"? This, apparently, meant "What do you say?" and was used by a labourer who did not quite "comprehend his master's orders". This is an expression we still need today. When the management talks management talk, or John Birt delivers another opaque order to the BBC, I would like to see the workforce going around saying, "Anan?"

The glossary notes that "Nan" is still occasionally used in North Wiltshire but that it is almost obsolete. Yes, language comes and language goes. Even today, one year young men are calling each other "dude" and the next year nobody knows what it means. It says in the glossary that "Coop coop" is the usual call to cows to come in. Do people, a hundred years later, ever say this?

We apologise for Mr Kington's bucolic mood today. He will be back to normal tomorrow.

When find this

The

Andreas Whitman Smith  
R.D. Laine  
referred  
to the  
as a  
terlogy  
designed  
mainly  
deep man  
people o  
of society  
way

هكذا من الاعمال



## Where will Blair find the critics in this Parliament?

How do we take the Tory leadership contest seriously? Kenneth Clarke, substantially the best qualified candidate for the post, is assumed, perhaps a shade too glibly, to be a certain also-ran. The right-wing faction of the party (compare and contrast Gordon Brown/Tony Blair after the death of John Smith) is itself so split that it has not one but four candidates. Ann Widdecombe, a supporter of Peter Lilley, adds a pleasurable frisson of horror to this heady mix. After working closely with Michael Howard for several years, she has "old friends" (a classic formula for authorised but deniable knifework) that he is "dangerous stuff" and that there is "something of the night" about him. And after all it's only days since William Hague had quaffed champagne – after sundown of course – with the nocturnal Howard and emerged his trusted running mate: it wasn't until dawned and the potion wore off, that he came to his senses and decided to stand himself. On just what platform isn't yet fully apparent.

Why do any of these antics matter? Because it isn't clear – on the showing so far – that the Tory party is anything like ready to cohere into an effective opposition. Or even that it will emerge from the leadership contest purged by the kind of great intellectual struggle which would give it the unity and sense of purpose it shed in government. That matters because even the best of governments need good oppositions to make them better.

Sometimes this can work in surprising ways. In the late 1980s I can remember a very senior Home Office official complaining that Douglas Hurd's job in improving prison provision had been made much more difficult because the Shadow Home Secretary Roy Hattersley had failed to turn up to the Commons to protest about the use of Army camps for prisoners; and a Cabinet minister wishing aloud that Robin Cook was his shadow opponent because it would make it so much easier to extract funds from the Treasury for public housing. Less surprisingly, ministers are frightened by effective opponents into behaving better than they otherwise would. The Commons may have lost a lot of its shine in the last few years; but the fear of humiliation at the dispatch box by an opposition Private Notice Question in the right hands remains a potent deterrent against skulduggery.

The dangers of an enfeebled opposition, of course, are magnified by the huge size of Tony Blair's majority. His freedom of action is almost limitless and vastly greater than that – say – of President Clinton, hemmed in by a hostile legislature. His chances of losing a single vote, let alone one of importance, during the entire Parliament are negligible. On devolution, a centrepiece of tomorrow's Queen's Speech, the Tories cannot even muster a single Scottish MP to be Donald Dewar's opposite number. The backwoods Tory peers can slow him down, as they may try to do over the ban on handguns. But in general Blair can do what he wants, in a way that the Liberal government could not after 1906. Clever, honourable men such as Tim Dalyell and Dennis Davies are unwelcome and may be at least as dangerous on, respectively, devolution and Europe to the executive as the traditional left. But most, if not all, full-scale backbench rebellions will be snuffed out by a



Donald Macintyre

The Tory party is not ready to cohere into an effective opposition, but every government needs good oppositions to make it better

combination of the massed ranks of the eager young Blairites and the party discipline for which their party has already become justly famous. Consider also the effect on the select committees which, however imperfect, remain the main instrument of parliamentary scrutiny. These will now have on them a majority of pro-government MPs as large, proportionally, as that in the Commons itself. So too will the standing committees that are supposed to subject bills to detailed examination but have lamentably failed to do so over the past 18 years.

So there are real dangers, but also, perhaps, some solutions too. The first is the historically large presence of 46 Liberal Democrats. In a speech to his new MPs last week, Ashdown pledged "constructive" rather than "knee-jerk" opposition. From Scotland, where they have the highest single number of MPs, the party is already jostling with the Commons authorities to be treated as the official Opposition on Scottish business. And Liberal Democrats have the potential to harry the government not only on electoral reform – though they will if there is backsliding on the referendum pledge – but also on the issues that most concern many Labour MPs, including education, health and civil rights.

Another solution is parliamentary, and governmental, reform. Incorporation of the European Convention of Human Rights into British law suggests that Blair is ready for the judges to impose limits on his own power. But he is also prepared for an extension of select committees, the real use of backbenchers to help formulate government policy, and a culture of sensitivity to intelligent parliamentary criticism? This would go a long way to check the danger of the government making the kind of arrogant errors that will cost it dear at the polling booths next time. So would the use of standing committees for the purpose they were intended – partly by being given a pre-legislative role and the right to call expert witnesses – rather than as mere engines of party hackery. And if it's true, as it seems to be, that a Freedom of Information Bill was partly omitted from Wednesday's speech because David Clark missed a train and turned up late to the crucial Cabinet meeting, then it should return next year in the wake of the promised White Paper.

The omission of Tony Wright and Giles Radice, two MPs who have thought deeply about these subjects, from the ministerial ranks, is a disappointment. But the expected appointment of Wright as Parliamentary Private Secretary to Lord Irvine, who has a key Cabinet responsibility for constitutional reform, is a better omen. And Radice's power to oversee the Whitehall machine as chairman of the Public Services Committee, if he continues in that post, could be extensive.

If safety valves of dissent are not built anew into the system, then the vital task of opposition will be left to other more volatile and less democratic theatres of conflict: the media, the streets, perhaps above all the press. But Blair is single-minded about implementing what he sees as the popular will expressed on May 1, and the last six years don't exactly make a case for loose or weak government. There is a balance to be struck, and modernising Parliament would help him strike it.

## Ovid brings out the beast in Disney

by Richard D North

Walt Disney's *Beauty and the Beast*, the stage show, opens at the Dominion, Tottenham Court Road tonight.

It deserves to be a winner: Disney is, after all, tackling themes of sex and violence with wit and great tunes. But there is tough competition in the field of species cross-over just now.

Not least, there is the revival of interest in Ovid's *Metamorphoses* – the classical round-up of every myth that ever saw intraspecific transmutations. *The Economist* reminded us last week that nearly 300 years ago John Dryden was the first poet laureate to have a go at translating this 2,000-year-old reworking of ancient stories. Now Ted Hughes, a man in whom nature thrums, has triumphed with his gutsy tribute, *Tales from Ovid*.

In this company, one remembers that Disney is famous as Bowdler Inc. But its 1992 film of *Beauty and the Beast* – and the stage show is its clone – was deeply serious. It has a guys and dolls swing to it, but is in an arty tradition too. It is very similar to the movie made by Jean Cocteau in 1946, with its own adherence to Marie Leprince de Beaumont's *La Belle et la Bête* (1756), which itself popularised a version of the late 17th century. Before that the mistle close to the headwaters of the story, though they are surely to be found in classical Greece and Psyche and Cupid, in Ovid's stories about the Minotaur, and Jupiter's bovine disguise (Hughes has "Europa crying out at sea/Astride the bull that had deceived her").

For the theatre, there are some good ood songs by Tim Rice, who has rather perversely gone out of his way to insist that this is only entertainment. It is true that overt toughness is usually missing from fairy stories, and even Ovid's myths have a sort of cartoon brusqueness about them. But Hughes brings real blood and passion to the page, and on stage, Disney was bound to make concrete what story-telling might leave elliptical. This year's Theatre Royal, Stratford East production of *Beauty and the Beast* was a traditional pantomime, but it still carried heavyweight baggage, and the more obviously muscular production at the Young Vic certainly did. All deliver what kids like: magic without conscience.

While there is no intellectual property right in fairy stories (perhaps part of their charm to Disney), there is plenty of intellectual content. According to Jungian exegesis, fairy stories allow children to explore the worst of their fears and fantasies as well as their wildest dreams. That, at least, was the theme of Bruno Bettelheim's fine *The Uses of Enchantment*, published in 1975. It begins with the



Myth meets musical: Julie-Alanah Brighton and Alasdair Harvey on stage in 'Beauty and the Beast'

Geraint Lewis

The stage production treats sex and violence with wit and good tunes, and shows the fairy-tale's roots in classical myth

premise that fairy stories are both extraordinary and commonplace. Their appeal to children could not be constant were it otherwise: they are not firing blanks.

*Beauty and the Beast* is, after all, about a girl who loves her father to the point that she is prepared to suffer imprisonment at the hands of the Beast on his behalf. She saves her father by transferring her affection to the Beast.

To do this she must embrace the loveliness – presumably the sexuality – of the Beast. She has to grow up. So does the Beast, who has been incarcerated in a loathsome form by a fairy because he had not understood that hidden qualities matter more than loveliness to a woman. Disney's rather human and boyish Beast helps us to see that he is an ordinary man condemned to wearing the ugly bits of his untamed heart and mind on the outside. But his deformity is only rare in being visible.

Even in the Disney production, the Beast inflicts violence on Beauty, and it is a pivotal moment because she flees from him and he is shocked into

reclaiming himself. More than would have been the case traditionally, the Beast has to exercise anger management: that's his 20th-century problem.

The tale hints at man as voyeur: the Beast looks on at his prisoner Belle, able to see all that is going on in his castle through using a magic mirror as his CCTV. He can see Belle, but tragically he is not tender enough to be able to communicate with her.

He and Belle will be delivering an essay on aesthetics to their young audiences. The philosophical message of the Beast is that only things which are capable of ugliness can be beautiful. The Enlightenment had suggested that objects and ideas which inspired powerful

emotions were ugly and brutish, unless they were found in the classics – Ovid and the like – and kept there.

But with Burke's 1757 essay, *The Sublime and the Beautiful*, we have the precursor of the Romantic movement of the late 18th century, which proclaimed that human and natural wildness constituted the

"sublime". Sublimity is allied to

Rembrandt, he sketched and resketched images of male roughness and worse as it revealed in, was bewildered at, or redeemed by female tenderness and loveliness. It might depict the male artist gazing longingly at the sleeping model before idealising her in a statue; a Minotaur aching to slough off his hairy carapace. Or just a lover gazing at his mistress (a theme taken up by Stanley Spencer among many others).

After seeing *Beauty and the Beast*, audiences might be advised that further reading should include the Thames and Hudson "World of Art" series, including its volumes *Picasso, Romanticism and Art, and Sexuality in Western Art*. The Beast would almost certainly have them in the library which Disney has him donating to Belle in his attempts to woo her. He has time before curtain up tonight to nip out and add the new Hughes/Ovid volume.

In fact, if Ovid could time-warp himself into the here and now, he would probably enjoy a seat in the stalls.

*Tales from Ovid* by Ted Hughes (Faber, £7.99).

## The man who abolished madness



Andreas Whittam Smith

R D Laing regarded psychiatry as akin to penology, designed mainly to keep mad people out of society's way

Subversive yet compassionate, enduring yet marginal. This is how the work of a key figure in the 1960s, a leader of the counter-culture, the Scottish psychiatrist R D Laing, was characterised at a meeting to reassess him which took place at the Mahatma Gandhi Hall in central London on Sunday. It was a gathering of 100 or so admirers, of people who want to carry on developing his insights.

Laing's work and writing started from the assumption that schizophrenia is not a disease with symptoms in any conventional sense. No malfunctioning of the brain has yet been detected that explains mental illness. Thomas Szasz, a contemporary of Laing, said that minds could be "sick" only in the sense that jokes were "sick" or economies are "sick".

In *The Divided Self*, Laing's most influential book, he wrote that it was possible to know just about everything that could be known about schizophrenia without being able to understand one single schizophrenic.

It is from this starting point that flowed both Laing's subversive intent and compassionate response. He was one of the founders of the anti-psychiatry movement which persists to this day. In this view, psychiatry is seen as akin to penology; it is primarily concerned with keeping mad people out of society's way rather than with improving their condition. Its history is a history of constraint.

We even get a glimpse of this in Boswell's life of Johnson. The great man was asked to comment on the unfortunate poet Christopher Smart, who was "confined in a mad-house". Boswell had asked Johnson how does "poor Smart do?". He replied: "I do not think he ought to be shut up. His infirmities were not noxious to society. He insisted on people praying with him, and I'd as lief

pray with Kit Smart as anyone else. Another charge was, that he did not love clean linen; and I have no passion for it."

One hundred years later new state institutions were set up, with locked wards, padded cells and strait-jackets. Instead of prisons, prisoners and wardens, there were mental hospitals, patients and nurses. Later, from the 1930s to the 1950s (when Laing was working in a Scottish mental hospital), came the use of insulin-induced comas, lobotomy and electroshocks. Since then constraint has largely been achieved through the agency of tranquillising drugs. For Laing, the state system which he had seen from inside was worse than useless, because its methods could have perverse results.

At the heart of his analysis was the notion of a person so utterly insecure that in the ordinary circumstances of living, he or she may feel more unreal than real, more dead than alive, precariously differentiated from the rest of the world, so that his or her identity was always in question. Such people may feel more insubstantial than substantial, and they may feel their selves as partially divorced from their bodies.

In these circumstances, everyday life constitutes a continual and deadly threat. Their incomprehensible talk, their weird behaviour, their catatonic states are all to be seen as defensive strategies, designed to protect their poor tortured souls from engulfment, implosion or depersonalisation.

Schizophrenics could be understood and helped, argued Laing, only with compassion and with therapy rather than medical intervention. At the meeting on Sunday, all the talk was of the need to be with people before you could help them, to stand by attentively, of developing an "attuned" understanding of the schizophrenic's situation,



Laing: use compassion, not medicine

of cultivating an ability "to be with". What patients needed, it was said, was an experience, not an explanation such as psychoanalysis offers. Somebody who had worked with Laing said that his patients found themselves as part of a general enterprise of understanding what it is to be human.

It follows that the appropriate setting for such work is a therapeutic community rather than a hospital. For five years in the 1960s, Laing ran such a place, Kingsley Hall in the East End of London, where it became a notorious feature of the counter-culture of the decade. It was chaotic and anarchic and a nuisance to its neighbours.

Clancy Sigal, in his obituary of Laing, wrote that "we were not looking for cures, because there was no madness if we stopped thinking in terms of madmen and madwomen and started perceiving more joyfully in the unhelpfulness (called 'madness') of others,

there was some possibility – none of us in our right minds called it more than that – that people in trouble might be helped."

Along with criticisms of conventional psychiatry, the Kingsley Hall initiative has also been developed and refined. In this country a number of small communities have been founded, often called "households" to imply the creation of a sort of family structure. The more ordinary these refuges appear, the more tranquility they impart. In the United States, ambitious projects have been attempted. On Sunday, Loren Mosher gave an account of two houses he established in California, which operated for 12 years until their funding eventually dried up.

He set out to "de-hospitalise" madness, de-medicalise madness (ie, it is not a disease), to de-professionalise it with the use of staff without mental health qualifications whose first duty was "to be with patients", and to de-drug it. A study has subsequently shown that the outcomes were as good or better than those for patients treated in hospitals. Mr Mosher is having similar success with a much larger undertaking in Washington DC.

None the less, these initiatives and the beliefs which underpin them remain marginal. Thirty years have passed since such notions were first discussed; Laing was their leading exponent. Neither side has been able, once and for all, to vanquish the other in argument, because neither can show convincing proof of its assertions.

Laing's followers argue that therapeutic communities are cheaper to run than state facilities, but the argument does not convince and the medical establishment continues to view schizophrenia as a disease which can be ameliorated, if not cured, with sophisticated drugs.

SHIRTS - Thomas Pink of Jermyn Street. Summer '97 Catalogue out now. For a free copy send the coupon or telephone 0171-498 3882

PINK

Send to: Thomas Pink, FREEPOST LON 350, 85 Jermyn Street, PO Box 7786, London SW1Y 6BR

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Postcode: \_\_\_\_\_

☐ Please tick if you are a subscriber to the Independent



## business &amp; city

Business news desk: tel 0171-293 2636 fax 0171-293 2088  
BUSINESS & CITY EDITOR: JEREMY WARNER

## GrandMet and Guinness in £20.6bn deal

## Wave of consolidation to follow giant merger

Nigel Cope  
City Correspondent

Guinness and Grand Metropolitan heralded a new wave of consolidation in the drinks industry yesterday when they announced a £21bn merger that will create the world's largest spirits group.

The new company, GMG Brands, will be the world leader in Scotch, vodka and gin with a list of brands that includes Grand Met's Smirnoff vodka, J&B whisky, and Bailey's as well as the Guinness-owned Johnnie Walker and Gordon's gin.

The company said there were no plans to spin off or demerge the non-spirits interests which include Guinness Brewing Worldwide, producer of the famous stout, or GrandMet's Pillsbury and Burger King interests.

The deal, the largest pure merger in UK corporate history, is expected to provoke a wave of consolidation in the spirits industry which has been plagued by over-capacity, declining sales and a tough pricing environment. Ron Littleboy of Nomura Securities said: "This is the big bang for the spirits industry. All the others will be worried sick by it."

He said the forming of GMG Brands would put pressure on other competitors, particularly Allied Domecq, the Teacher's and Ballantine's whisky group which has seen its market share come under pressure. It will also place pressure on smaller spirits groups.

"It presents a tremendously difficult problem for Allied," said Philip Hawkins, analyst at Merrill Lynch. "It will have to look for strategic partners." Allied Domecq, which reports results today, declined to comment. However, analysts suggested Allied may now seek a link with Seagram, the Canadian group which has several leading brands that include Chivas Regal and Mumm's champagne. Other possibilities mentioned included a bid from American Brands or Brown Forman, another US group.

They further suggested that it was possible that Seagram may move to mount a counter takeover bid for Guinness. Seagram launched a strong offensive against the proposed merger saying it would raise "serious anti-trust issues, in the US, Europe and elsewhere". Robert Marshchall, the company's vice-chairman and chief financial officer said: "The industry is suffering from over-capacity but it is hard for us to imagine a more anti-competitive way of dealing with it than this deal."

He said the link-up would give GMG Brands more than half of the global scotch business and 75 per cent of the standard scotch market in the US. "I don't know if they think the regulatory authorities are snoozing but if this deal goes through I believe it will only be after a huge amount of scrutiny and only with major divestitures."

He added that Seagram was not considering a major takeover as it would only face the same regulatory difficulties. "We do not feel compelled to do anything."

Jamie Wilson, finance director of Highland Distilleries which owns the Famous Grouse and Highland Park brands of Scotch said: "The question of consolidation is one that everyone will now be asking themselves, but I am reserving my judgement."

The deal was welcomed in the City where shares in both companies soared. Guinness shares closed 86 higher at 602.5p while Grand Met shares finished 76.5p up at 591.5p.

The move surprised many analysts as only last year Guinness dismissed stock market rumours that it was set to launch a takeover of GrandMet. Tony Greener, Guinness chairman, who will be joint chairman of the merged group with Grand Met's chairman, George Bull, said he had rejected that option as it would have destroyed shareholder value.

However, it was Mr Bull who initiated the merger discussions when he invited Mr Greener for dinner at a central London hotel just a month ago. Mr Bull described the deal as a "win-win situation" and said it was born of commercial logic and personal friendship.

Mr Greener said: "This marks an important point in history when it is possible to two big companies to come together without destroying shareholder value for one of the parties."

Grand Met's chief executive, John McGrath, who will be chief executive of GMG Brands, said the deal was logical in the face of spiralling demand, over-capacity and strong retail customers. He said the two groups were a perfect fit, with few over-lapping brands and complementary geographic strengths.

The deal was opposed by Bernard Arnault of Louis Vuitton Moët Hennessy, the luxury goods group which holds 14.2 per cent of Guinness. He voted against it preferring to spin-off the non-spirits interests into a separate company.

The deal still requires regulatory approval and its size means it will by-pass the UK competition authorities and be ruled upon by the European Commission's merger task force instead. The management said they were confident of approval.

Under the terms of the deal Grand Met shareholders will hold 52.7 per cent of the enlarged group with Guinness shareholders holding the remaining 47.3 per cent. Shareholders will receive a special capital repayment of not less than 60p per share.

Guinness also announced its interim results yesterday showing profit up just 3.5 per cent in the six months to 31 March to £47m.

Comment, page 17

**This is the big buy for the spirits industry. All the others will be worried sick by it** — Ron Littleboy of Nomura Securities

dismissed stock market rumours that it was set to launch a takeover of GrandMet. Tony Greener, Guinness chairman, who will be joint chairman of the merged group with Grand Met's chairman, George Bull, said he had rejected that option as it would have destroyed shareholder value.

However, it was Mr Bull who initiated the merger discussions when he invited Mr Greener for dinner at a central London hotel just a month ago. Mr Bull described the deal as a "win-win situation" and said it was born of commercial logic and personal friendship.

Mr Greener said: "This marks an important point in history when it is possible to two big companies to come together without destroying shareholder value for one of the parties."

Grand Met's chief executive, John McGrath, who will be chief executive of GMG Brands, said the deal was logical in the face of spiralling demand, over-capacity and strong retail customers. He said the two groups were a perfect fit, with few over-lapping brands and complementary geographic strengths.

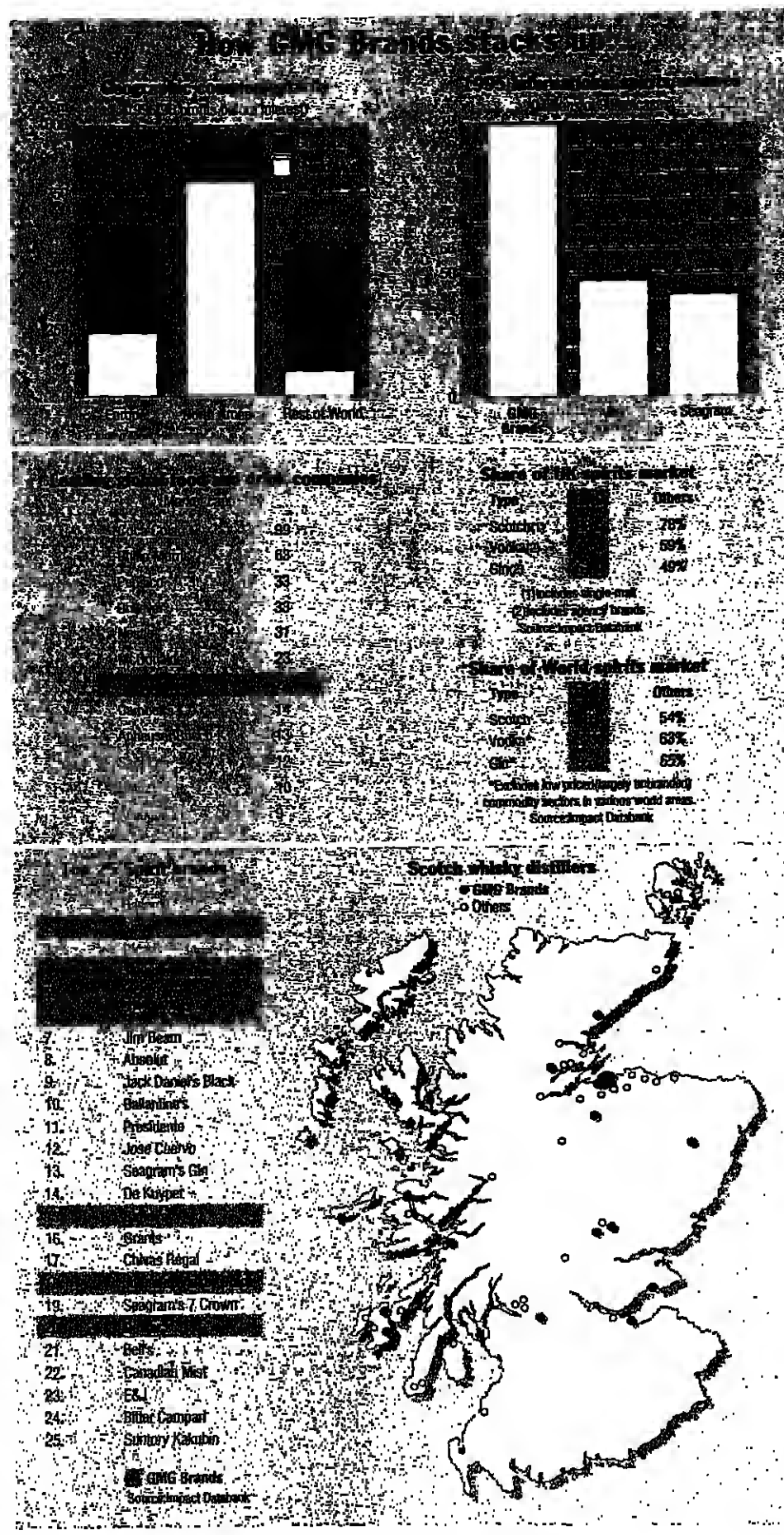
The deal was opposed by Bernard Arnault of Louis Vuitton Moët Hennessy, the luxury goods group which holds 14.2 per cent of Guinness. He voted against it preferring to spin-off the non-spirits interests into a separate company.

The deal still requires regulatory approval and its size means it will by-pass the UK competition authorities and be ruled upon by the European Commission's merger task force instead. The management said they were confident of approval.

Under the terms of the deal Grand Met shareholders will hold 52.7 per cent of the enlarged group with Guinness shareholders holding the remaining 47.3 per cent. Shareholders will receive a special capital repayment of not less than 60p per share.

Guinness also announced its interim results yesterday showing profit up just 3.5 per cent in the six months to 31 March to £47m.

Comment, page 17



## Greener denies boardroom row with Arnault

Tom Stevenson

Tony Greener, chairman of Guinness, was yesterday attempting to play down an apparent boardroom rift with Bernard Arnault, the head of the French LVMH luxury goods group. Mr Arnault, who until recently controlled more than a fifth of Guinness's shares, voted against the proposed merger with GrandMet at last Friday's board meeting, throwing his future at the company into doubt.

"Let me assure you that there has not been any sort of row between ourselves and LVMH," Mr Greener said. "We have had a number of very commercial, professional and sensible discussions about this. Discussions between us were not at all acrimonious but it is not unknown for the French and British to disagree."

He denied the relationship with LVMH, which after selling one-third of its stake in January retains a 14.2 per cent shareholding in Guinness, was effectively dead. "Absolutely not. We have a lot of mutual interests and benefits from our joint venture," Mr Greener said.

After the merger Mr Arnault's stake in the combined Guinness/GrandMet group will fall again to between 6 and 7 per cent and analysts in Paris were speculating yesterday that he would soon move to sell his remaining holding. Mr Arnault was not in London yesterday and it is not yet known if he will attend Guinness's annual meeting on Thursday.

There has been increasing speculation since last summer that Mr Arnault is growing more and more dissatisfied with the return on his investment in Guinness, whose shares have drifted throughout most of the 1990s. The value of his stake had also been hit until recently by the fall in the value of the pound against the French franc.

There had been no acrimony, Mr Greener said, and workmanlike discussions would carry on over the coming weeks. Mr Arnault had been told of the plans

at the same time as other Guinness board members about two weeks ago, a fortnight after Mr Greener and GrandMet's chairman, George Bull, agreed to explore a merger.

Mr Arnault wrote to the heads of the British groups to propose combining the three spirits and wines businesses of GrandMet, Guinness and Moët Hennessy as an independent listed group. Asked if Mr Arnault would be offered a place on the board of the merged company, Mr Greener said: "That's not for me to say."

Guinness and LVMH have had a close relationship since 1988 when the two companies took a 12 per cent cross-share-

**Discussions between us were not at all acrimonious but it is not unknown for the French and British to disagree**

holding in each other as a bulwark against hostile bids for either party and as a prelude to creating a worldwide distribution network for their products. After a string of successful ventures, the two increased their shareholdings to 24 per cent. The cross-shareholdings were restructured in 1994 when Guinness came under fire for getting too involved with a diversified luxury products group that was looking to expand in television and fashion. Guinness swapped its stake in LVMH for a 34 per cent holding in its Moët Hennessy drinks arm. LVMH's stake in Guinness fell to 21 per cent where it remained until last January's partial sale.

## A marriage that was just waiting to happen

Whatever the competition authorities and the consumer might make of the proposed merger of Guinness and GrandMet, it is hard to fault the deal in financial or commercial terms. In spirits, which is what this marriage is really about, the two companies' geographical and product spreads mean this was a combination just waiting to happen.

It marks a first step in the consolidation the industry has needed for years to solve the deep-seated problems of price increases below inflation in its mature Western markets, de-stocking and heavy price discounting after the late 1980s party collapsed into the hang-over of the early 1990s recession.

GMG Brands, as the new monolith is to be called, will be Britain's eighth biggest company and the world's seventh largest food and drink group, with a market value in excess of £20bn. Valued at just less than McDonald's, it will dwarf other global players like Heinz and Kellogg. It will have 18 of the world's top 100 spirits brands, combined sales of almost £1.3bn, profit before interest and tax of £2.2bn and free cash flow of over £900m.

Such is the strength of the new group's balance sheet that one of its first moves will be to hand £2.4bn of surplus capital straight back to shareholders via a 60p payout, which for tax reasons will be in the form of a new class of share, convertible into cash.

Even after that act of largesse, its earnings will cover interest payments on its debts more than five times.

Although a genuine merger between the two companies, the deal is to be structured as an all-share takeover of GrandMet by Guinness, which will change its name to GMG Brands before swapping one of its own shares for each GrandMet share. As a result of their company's slightly greater size, GrandMet shareholders will end up owning 53 per cent of the enlarged group.

The deal represents a combination of some of the best known food and drink brands in the world. More than half its profits will come from its spirits arm, a combination of Guinness's United Distillers (UD) and GrandMet's International Distillers and Vintners (IDV).

Its enlarged spirits portfolio will combine Johnnie Walker whisky and Gordon's gin from

UD with IDV's J&B scotch, Gilbey's gin and Bailey's liqueur.

Sales of its spirits brands, which also include Jose Cuervo tequila, Hennessy cognac and Malibu, will leave its main competitors, Allied Domecq and Seagrams, standing.

The combined UDV will sell more than 100 million cases of spirit, compared with Allied's 47 million and the Seagram's 41 million.

GMG's other interests include GrandMet's Pillsbury food manufacturing business, Haagen Dazs ice-cream, and Guinness's 34 per cent investment in the Moët-Hennessy champagne to cognac group. It takes in the original Irish stout brewing operation and Burger King.

The commercial appeal of

the proposed deal hinges on the ability of the new spirits business to push a greatly enlarged portfolio of brands through an existing distribution network around the world. GrandMet has next to no exposure to the developing markets of the Far East and Latin America, so adding its products to Guinness's existing offering will increase sales in those regions rapidly at little extra cost.

Guinness currently makes around 44 per cent of its spirits profits in developing markets, while GrandMet's exposure is less than 10 per cent. The combined group will make about a quarter of profits from those fast-growth regions.

In the mature markets of North America, where GrandMet is strong, and Europe, combining the two operations will increase GMG's buying power in a still highly fragmented market and help it force through price rises after years of flat demand and low inflation keeping a lid on the cost of spirits.

Less clear cut on the benefits of holding on to the non-spirits operations, even if John McGrath, chief executive-designate, is understood to believe

that by the end of the decade Burger King will be the fastest growing part of the group and provider, thanks to its franchise system, of a sizeable filip to the group's return on capital.

The real attractions of the proposed deal are financial. Structured as a marriage of equals, the merger avoids the enormous squandering of value that a hostile bidder's shareholders would have to face by eliminating the need to pay a premium for control. With cost savings of just £175m pencilled in over three years, it is little wonder that Guinness balked at paying a premium of maybe £4bn over GrandMet's market value of £11bn.

With a return on capital of only 8 per cent compared to Guinness's 12 per cent, GrandMet gets arguably the better end of the deal from that perspective.

Putting the two groups together should mean an aggregate return in excess of the weighted cost of their capital of around 10.5 per cent, a benchmark the industry has struggled to match through the long years of recession.

Tom Stevenson



Grand alliance: (from left) George Bull, chairman of GrandMet, the group's chief executive John McGrath, and Tony Greener, chairman of Guinness. Photograph: Ben Schott

## Labour's first big test on competition

Michael Harrison

Labour's gut instinct may well be to haul the proposed GrandMet-Guinness merger back from Brussels and insist on the deal being vetted here, making it the first big test case of the Government's competition policy.

How easy that would prove in practice is less clear. In terms of its size and the proportion of turnover generated in the UK as opposed to Europe and elsewhere, the deal falls squarely under the remit of the European Commission's mergers task force. Mergers are referred automatically to Brussels if the combined turnover of the parties exceeds 5bn ecu (£3.5bn), each of them has EU sales of at least 250m ecu and not more than two-thirds of sales are within one member state.

There is a clause in the legislation, however, which allows a member state to ask Brussels for jurisdiction to be handed back to national competition authorities if it can demonstrate that a merger would pose competition problems in a distinct market. This clause was successfully used to permit the Office of Fair Trading and the Monopolies and Mergers Commission to vet the rival bids by Gehe and Unichem for Lloyds's Chemists.

Yesterday Guinness and GrandMet both said they were confident that there was no case for the merger being examined by the UK authorities as opposed to those in Brussels. There were similar indications coming from the OFT. Less than 10 per cent of GMG's combined sales are within the UK. Even so, its dominance of some distinct markets would be significant. The combined group would account for 51 per cent of all the gin sold in the UK, 41 per cent of all the vodka and 22 per cent of all the Scotch whisky consumed. Given

the wider employment considerations and the even bigger concentration in manufacturing that would stem from the merger, Margaret Beckett, President of the Board of Trade, could make a strong case for wresting authority back to London.

How would Labour handle such a merger? The ink is not yet dry on its competition policy. Nigel Griffiths, the minister responsible for competition, has only just been handed his portfolio and Lord Borrie, the former Director-general of Fair Trading, who is leading a panel of three wise men advising Labour on how its competition policy should be formulated, has yet to report.

However, Mrs Beckett had a reputation, in opposition at least, for being something of a hawk on mergers policy. Mr Griffiths, her junior minister, also had a penchant for backing referrals and then asking questions later.

At Mrs Beckett's behest, Labour had intended to reverse the burden of proof in hostile takeovers so that the bidder would be required to demonstrate that a merger was in the public interest. The onus now is on the competition authorities to prove that a merger would be against the public interest. Although this commitment was omitted from Labour's business manifesto in favour of a promise that Lord Borrie would "review" the public interest test, there seems little doubt that the climate for hostile bids is going to become more difficult.

It is likely to be several weeks before GMG discovers where its fate is to be decided. If it is London, then it should get some clue as to the kind of treatment it can expect from Mrs Beckett's rulings on the three big merger deals piled up in her in-tray awaiting clearance: Bass-Charles's Tetley; P&O-Stena; and British Airways-American Airlines.

STOCK MARKETS									
FTSE 100									
Index	Close	Week's chg	Change (%)	1996/97 High	1996/97 Low	1996/97 High	1996/97 Low	1996/97 High	1996/97 Low
FTSE 100	4630.90	+175.3	+3.8	4630.90	4056.60	3.50			
FTSE 250	4528.20	+28.1	+0.6	4728.40	4439.40	3.50			
FTSE 350	2247.50	+71.2	+3.3	2247.50	2017.90	3.52			
FTSE SmallCap	2308.08	+12.8	+0.5	2374.20	2176.29	3.02			
FTSE All-Share	2208.01	+68.5	+3.1	2208.01	1989.78	3.48			
New York	7133.41	+62.2	+0.8	7225.32	6932.94	1.73			
Daily	19802.78	+288.0	+1.5	20180.32	17303.85	0.91			
Hong Kong	13930.80	+849.1	+6.5	13930.80	12055.17	3.99			
Frankfurt	3562.41	+102.0	+2.9	3568.28	2846.77	1.52			

Statistics as of 12 May

INTEREST RATES									
UK interest rates									
Index	1 Month	1 Year	Medium Term (%)	3 Year	Long Term (%)	10 Year	15 Year	20 Year	25 Year
UK	6.25	6.93	7.01	8.14	7.08	8.24			
US	5.75	6.19	6.75	6.77	6.90	7.00			
Japan	0.50	0.87	2.59	2.51					
Germany	3.00	3.18	5.75	6.51	6.53				

Money Market Rates

CURRENCIES									
£/\$									
Index	Close	Week's chg	Tr. Age	Index	Close	Week's chg	Tr. Age	Index	Close
\$ (London)	1.6194	+0.122	1.5232	£ (London)	0.6175	-0.05	0.6385		
\$ (NY)	1.6230	+0.106	1.5233	£ (NY)	0.6166	-0.04	0.6382		
DM (London)	2.7423	-5.470	2.3103	DM (London)	1.6934	-3.510	1.5168		
¥ (London)	197.081	-9.002	169.542	¥ (London)	121.700	-5.035	104.745		
€ Index	96.0	-1.7	84.4	€ Index	104.1	-1.9	96.1		

OTHER INDICATORS

Oil Brent \$ 18.84 +1.03 18.80 RPI 155.4 +2.8pc150.9 18 May  
Gold \$ 345.90 +6.00 392.80 GDP 109.7 +2.8pc107.0 25 May  
Bond £ 213.59 +3.14 267.88 Swap Rates - 6.25pc 6.75 -

MAIN PRICE CHANGES

Rises - Top 3 Price Up Wk's Chg (%) 1 Day  
Lendal & Gen Sp 481.5 52.5 12.2 Dalmy 263 47 15.2  
Bk Of Scotland 414.5 43.8 11.8 BTR 230.5 30.5 11.7  
Lloyds Tsb Sp 620.5 64.5 11.6 Man Ltd 605 62.5 8.0

Falls - Top 3 Price Up Wk's Chg (%) 1 Day  
Dalmy 263 47 15.2 BTR 230.5 30.5 11.7  
Man Ltd 605 62.5 8.0

Statistics as of 12 May

Statistics as of 12 May





## COMMENT

This is plainly a great deal for the City and for investors, as yesterday's sharp rise in the share price of both companies bears testimony, but is it also good for UK plc?

## Merger faces uphill struggle with regulators

Less than two weeks into Labour's "new dawn", and already the City is presenting the Party's radical young thinkers with an uncomfortable policy dilemma. That assumes, of course, that Brussels allows the new Government some say over Guinness's proposed merger with Grand Metropolitan, and doesn't exercise its right to keep all the action for itself. Legally, this is a merger which falls under the jurisdiction of the European Commission. But since the main competition issues occur in the UK, the bulk of the job losses will be in Britain, and the two companies involved are both British, even Brussels would be hard pressed to ignore British sensitivities on this matter entirely.

This is plainly a great deal for the City and for investors, as yesterday's sharp rise in the share price of both companies bears testimony, but is it also good for UK plc? That's a much tougher question, which is not answered by the bald insistence of Tony Greener and George Bull that it is, and that as a consequence there are no regulatory issues to address. The basic rationale for this merger is that old chestnut, big is beautiful - that the two companies combined will be a much more effective global force than separately.

To be fair, there may be something in this. The two companies are largely complementary on the liquor side, in both brands and geographically. Combine the two brand portfolios and feed them through the two

different distribution and marketing networks, and there should be a significant uplift in sales (should being the operative word here). Unfortunately, this argument rather ignores the rest of Grand Met and Guinness. There is nothing that links Pillsbury Foods, Burger King and Guinness Brewing with this commendable rationale, nor does getting as big as the Neslles and Pepsi Cos of this world give GMG Brands anywhere near the same product and cultural cohesion as those two companies enjoy.

From this perspective, Bernard Arnault's alternative approach - which would see IDV, United Distillers, and Moët Hennessy merge under the splendidly Gallic capital structure of three separate shareholding companies - is industrially the rather better solution. The trouble is that Grand Met would never have contemplated demerging IDV, nor would Guinness be prepared to separate its spirits interests from its brewing. But let's leave that for the moment.

Guinness is also right to point out that the world market in spirits is a fragmented one when compared with some other leading consumer products like detergents and soft drinks. Even combined, these two companies would have no more than 10 per cent of the "accessible" world market in spirits. If you take the broader definition of the world spirits market, taking into account unbranded local hooches, then it comes down to less than 5 per cent.

But cut the figures another way and you get a quite different picture. The two companies combined would have 46 per cent of the world market for scotch whisky, 37 per cent for vodka and 35 per cent for gin. The point is that Britain is already hugely successful in selling these products in export markets. Is it going to be made any more successful by allowing its biggest two players to merge? Take the US, where Guinness and Grand Met have the top three selling scotches between them. Once the spur of competition is removed, it seems more likely they will sell less, though at a higher price, not more.

The situation isn't much better in the UK, where the combined market share of these companies in scotch, gin and vodka is equally alarming. So although Messrs Greener and Bull may be right about all this, regulators are going to take quite a lot of convincing. Even in its new form, Labour is going to be more sceptical still.

Today brings the first Inflation Report to be published since Gordon Brown made the Bank of England independent. As that was only last week, the report will look much the same as it always has. But independence has changed its purpose. In the past it has assumed that interest rates are kept at the existing level and predicted the consequences for the underlying inflation rate. In future, it will have to predict that inflation is going to be on target, or the new Mon-

etary Policy Committee will not have been doing its job properly.

A document that always has to predict on-target inflation will turn into more of an Interest Rate Report, reflecting the committee's analysis of the state of the economy and likely moves in the cost of borrowing during the next quarter. It will become an important means for the Bank to persuade public opinion of the merits of its case.

Today's report must have involved some tricky drafting manoeuvres. In February the Bank issued a stiff warning about inflation prospects, backing up its repeated advice to Kenneth Clarke to raise rates. Since then we have had three months' worth of strong economic data and, last week, a quarter point rise in base rates. It will be hard to argue that the small and belated move is enough to have put inflation right back on track.

Logically, the Bank therefore ought to say that another rise in interest rates is needed, and now that it is operationally independent, it would be free to announce such a move this morning if it wanted. Don't hold your breath though: the signs are that the Bank will wait and see what the Budget brings.

Defence stocks took one look at Robin Cook's Mission Statement and his pledge to put human rights at the heart of British foreign policy and yawned. But is this the right reaction?

The new Foreign Secretary intends to push for international regulation of the arms trade so that no weapons get into the hands of those intent on "external aggression or internal repression". Since intent is partly in the eye of the beholder that could open up quite a big field of candidates, starting with Indonesia and its orders for British Aerospace Hawk "trainer aircraft".

This is bold stuff given that Britain is one of the world's four biggest arms exporters, sports a defence industry with a powerful and well-oiled lobbying machine and a factory in most marginal constituencies.

The downside is that Mr Cook, for now at least, may be a lone voice in his ethical crusade. The argument against taking a unilateral stance on arms sales has always been the one that runs "If we don't sell them the stuff then someone else will." Mr Cook has an answer to this too. He proposes a European code of conduct so that once one member state refuses an export licence on ethical grounds another cannot sneak into its place. Bad news for the French.

As things stand, however, Mr Cook's pledges largely amount to fine words and little more. They may need to be brought into sharper focus by a little practical application. Saudi Arabia does not possess the world's most glittering human rights record and it also happens to be Britain's biggest arms customer. But is Mr Cook brave enough to tinker with the £20bn Al Yamamah deal?

## SIB wants guarantees for pension victims

Nic Cicutti  
Personal Finance Editor

The Securities and Investments Board, the City's senior watchdog, is poised to embrace a new scheme aimed at "guaranteeing" redress to victims of the pensions mis-selling scandal. SIB's move comes as another regulator's confidential report, seen by *The Independent*, shows insurers are still failing to compensate those worst affected.

The leaked document from the Personal Investment Authority, the companies' front-line regulator, shows some of the UK's highest insurers, including TSB Life, Royal Life, Pearl, Sun Alliance, Friends Provident, London & Manchester and Britannic, have yet to settle as little as 10 per cent of their most urgent cases.

The leaked report will be a further blow to the PIA, which staked its credibility on resolving the problem after a report last year revealed almost no compensation had been paid at that time.

Helen Liddell, Treasury Minister, has indicated her willingness to by-pass regulators by summoning the worst-offending insurance firms to a meeting tomorrow. Company chiefs will be told by Mrs Liddell that unless they speed up the review process they may face tough sanctions, including fines, over their failure to comply.

The latest PIA document includes sets of tables, revealing progress to date. One of the tables, dated 3 April, is believed to show the picture in the months prior to that date. Newer figures indicate that some companies, most notably Equitable Life, Norwich Union and Royal London, have made some progress.

It is believed that the inability of most firms to proceed with the review at speed will lead Sir Andrew Large, outgoing chairman at SIB, to publicly back late today redress "guarantees" as a view of resolving the matter.

The "guarantee" system, championed by Legal & General, would promise those who were mis-sold a pension that the insurer would match every benefit they would otherwise have been entitled to even if they

Slow progress in righting the pension wrongs				
Leading participants update - 3 April 1997				
Name	Priority cases	Assessments completed	Redress offered	% of total priority cases completed up to March 97
Prudential	50719	732	711	n/a
Co-operative Insurance	38201	2409	182	14.1
Pearl Assurance	36919	2427	1301	8.7
TSB Life	25873	46	22	5.5
Legal & General	20720	1696	1081	n/a
Guardian Pensions Mgmt	7251	387	222	n/a
Sun Life of Canada	15378	576	576	n/a
Allied Dunbar	11962	2176	98	19.3
Abbey Life	13345	426	19	24.0
Britannic Assurance	13365	21	9	2.7
Barclays Life	12880	2015	1286	28.4
Lincoln Assurance	10600	314	112	n/a
NetWest	9409	558	249	26.6
Equitable Life	10289	3622	100	69.3
Royal London	9358	957	179	63.1
Gan Life & Pensions	6898	199	40	n/a
Sun Alliance	8033	368	219	9.1
Horseshoe Robinson	8552	1	1	n/a
Windsor Life	7869	89	89	1.3
Sedgwick Noble Lowndes	7272	40	14	n/a
Lloyds Bank	4757	433	192	32.8
London & Manchester	6157	36	29	1.4
United Friendly	6330	299	4	12.0
Norwich Union	5263	267	125	40.2
Royal Life	4919	884	48	7.6
Colonial Mutual	5291	22	21	n/a
Commercial Union	4811	512	299	n/a

could not rejoin their old scheme.

PIA executives have rejected this option, claiming it is unworkable. However, SIB has never hidden its sympathy for the proposal, which Sir Andrew hopes will break the compensation log-jam. It is thought among the first to offer this system to its policyholders could be Prudential.

The extent of the shambles involved in the compensation process is outlined in the PIA document, which details the experience of one company, Britannic, in the review process. Britannic, a Birmingham-based company which employs 2,300 sales staff, was visited by a PIA monitoring team in January. The team found that letters from Britannic policy-

holders were not being acknowledged, reminders to take part in the review were not being sent out and people were being excluded from the review for no proper reason.

Brian Shaw, chief executive at Britannic, said: "We have increased our commitment in the past months and are in line with other providers in terms of what we have achieved to date."

## Inflationary pressure low, says Bank

Diane Coyle  
Economics Editor

On the eve of the first Inflation Report to be published by the Bank of England since it gained its independence, new figures yesterday suggested that there were few inflationary pressures in industry. Price competition also remained keen on the high street despite a pick-up in retail sales last month.

Eddie George, Governor of the Bank of England, said yesterday that inflation would decline in the coming months. There was a better-than-even chance of meeting the 2.5 per cent inflation target this year, thanks partly to the strong pound, he said.

Fears of a further increase in interest rates in the near future retreated yesterday. However, today's report is likely to indicate that the Bank remains alert to the possibility of the need to raise rates later this year to head off future increases in inflation.

Its last report, in February, showed underlying inflation at 3 per cent and climbing next year. Against the quarter-point rise in base rates since then, many indicators have signalled faster growth in the economy. But any further base rate moves would occur after the Budget, and after the appointment of outside members to the Bank's new monetary policy committee. Analysts will be on the lookout

for a further rise in the rate at which earnings are increasing, especially in the booming service industries, in figures for unemployment and pay due tomorrow.

Yesterday's statistics showed that inflation at the factory gate dropped below 1 per cent last month, while manufacturers' raw materials costs declined by more than 10 per cent in the 12 months to April.

Prices charged by manufacturers rose by 0.2 per cent in the month, to reach a level 0.8 per cent higher than a year earlier. Excluding the effect of increases in excise duties, output prices have barely risen year on year.

Input prices fell 1.9 per cent in April, taking them 10.2 per

cent lower than a year earlier. The decline reflects a combination of the strong pound, falling oil prices and weak commodity prices.

The weak price pressures in manufacturing contrast with rising costs in service industries. "Manufacturing will have to deliver price stability in order for us to achieve low inflation for the economy as a whole," said Geoffrey Hicks, chief UK economist at NatWest Markets.

Separately, the British Retail Consortium said the volume of sales on the high street picked up in April.

The annual growth of like-for-like sales rose from 3.7 to 4.1 per cent, and total volumes from 7.1 to 7.4 per cent.

But Andrew Higginson,

chairman of the BRC's economic affairs committee, said price competition was keen. "We haven't seen any sign of inflation coming through in the shops," he said.

He said the need for further interest rate increases would hinge on consumers' willingness to spend their windfall gains from free building society shares.

Food, furniture, DIY and mail order saw the strongest sales growth last month, according to the survey.

The pound gained more than 2 pence to end above DM2.76 yesterday after the Chancellor, Gordon Brown, speaking in Brussels, ruled out the pound's re-entry to the exchange rate mechanism.

## Co-op settles for £750,000 payment

John Willcock

The Co-operative Wholesale Society (CWS) has accepted a settlement of £750,000 in return for dropping its civil action against Andrew Regan, Lanica Trust, Galileo Group, Allan Green and David Lyons over their aborted bid for CWS.

The CWS launched a civil claim for damages on 18 April over the disclosure of confidential CWS documents passed by Mr Green to Mr Regan. Both the CWS and the Regan camp refused to comment on the amount of yesterday's full and final settlement, but it is understood to be around £750,000. Lanica did not contribute to the payment.

The CWS's criminal prosecution against Mr Regan and Mr Lyons over the alleged theft of seven boxes of CWS documents will still go ahead, the company said yesterday.

Mr Regan and Mr Lyons said that they "intend to defend these proceedings vigorously". Lanica, Mr Regan's company, said it would shortly announce the date on which its audited results for 1996 would be published and that its listing would be restored at the same time.

The settlement is the latest chapter in the humiliating climbdown by Mr Regan, 31, and his followers after their failed £1.2bn hostile break-up bid for the Co-op.

The bid fell apart last month when a High Court judge described the transfer of CWS documents from Mr Green, a CWS director, to Mr Regan as a "gross, wilful and disgraceful breach of confidence". Mr Green was subsequently sacked.

Mr Regan formed Galileo in December 1996 to use as a bid vehicle. His plan was to appeal over the heads of the board, who were opposed to him, directly to the Co-op's membership. Lanica invested £602,000 in Galileo. When the bid failed Galileo was put into voluntary liquidation by Mr Regan.

The liquidator of Galileo is considering bringing claims against some of Mr Regan's former advisers to recover substantial damages. Lanica, as one of the shareholders in Galileo, may benefit if Galileo is successful in these claims, Lanica said yesterday.

### IN BRIEF

#### GMB negotiates more 'partnership' deals

John Edmonds, general secretary of the GMB union, yesterday disclosed that a further six "partnership" agreements were under negotiation between employers and unions after Blue Circle Cement announced a ground-breaking pay and productivity deal with its 2,000 employees. Under the agreement, the workforce gets job security and pay increases equal to inflation plus 0.25 per cent for each of the next three years. In return, the company will save £10m a year by cutting up to 360 jobs under a voluntary redundancy programme and introducing flexible working arrangements. BCC has also undertaken to work towards a 37-hour week by 2001 and is seeking to roll the pay deal on beyond three years. Mr Edmonds described the deal as a "blueprint for social partnership under a Labour government" and said GMB intended to strike similar deals across the country.

#### News Corp sued by satellite partner

Rupert Murdoch's News Corporation is facing a massive lawsuit in the US filed against it by EchoStar Communications of Denver following the collapse of a deal signed by the two companies in February for a joint satellite broadcasting venture. The court action, which could lead to a damages claim of up to \$5bn (£3bn), appears to drop the curtain on an agreement under which News Corp was meant to invest \$1bn in EchoStar in cash and assets for a 50 per cent share in the new enterprise. It had been championed by Mr Murdoch as the ideal platform for launching a 500-channel "Sky" satellite service in the US. In seeking the damages, EchoStar is citing lost profits and material breaches by News Corp of the parties' original agreement.

#### Inflation rates fall in EU countries

Average inflation in the EU fell to 1.7 per cent in March from 2 per cent in February and 2.6 per cent in March 1996, the statistical office Eurostat said yesterday. The figure was based on the new harmonised indices of consumer prices (HICP), developed for consistent comparisons between countries. On this basis, Finland (0.8 per cent), Sweden (1.0 per cent) and France (1.1 per cent) had the lowest inflation rates in March. Greece had the highest at 5.9 per cent, while the UK's HICP inflation rate was 1.8 per cent.

#### Ethical Holdings flotation to raise £20m

Ethical Holdings, the pharmaceuticals company which develops hormone replacement therapy patches, will raise £20m when it floats on the stock market via a placing in the next two months, valuing the group at around £65m. The Cambridgeshire-based company, which specialises in making improved versions of medical products, already has a listing on the US's Nasdaq exchange where it is valued at around \$75m. Formed 12 years ago, Ethical made losses of £3.8m last year on sales of £14m. The company plans to become a "more integrated" drugs group and associated research costs mean losses will continue for at least three more years.

#### Switzerland approves Skyepharm drug

Skyepharm, the fledgling pharmaceuticals group launched last year by Ian Gowrie-Smith, the entrepreneur who founded Medeva, has had its first drug approved. The group's shares rose 5p to 80p. Skyepharm, which specialises in the fast-growing field of drug delivery, confirmed it had won approval in Switzerland for Macopar, an improved version of a drug for Parkinson's disease developed by Swiss giant Roche. Skyepharm will manufacture the drug for Roche and get royalties on sales. Worldwide sales of the old drug are £88m.

#### Rugby buys Covent Garden block for £8m

Rugby Estates has acquired a large estate in Covent Garden, London, for £8.4m. The estate comprises a 40,000-sq ft freehold mixed-use block of property at the junction of The Strand and Bedford Street. Rugby said the purchase was its largest single acquisition. The estate, situated at the southern entrance to the Covent Garden area, has a combined frontage to The Strand and Bedford Street of 300 feet. This block comprises restaurant and retail units on the ground floor with office and residential accommodation above. The purchase price produces an initial rental yield of 8 per cent per annum.

# ASSURED

...BECAUSE DIRECT DEBIT MEANS BILLS ARE AUTOMATICALLY PAID ON TIME AND IN THE UNLIKELY EVENT OF AN ERROR YOUR BANK GUARANTEES TO REFUND YOUR MONEY IMMEDIATELY.

UK BANKS AND BUILDING SOCIETIES

## DIRECT Debit

DD YOUR DOUGH



# Argos plunges on new warning

Magnus Grimond

Argos, the once high-flying catalogue retailer, saw its shares plunge 24.5p to 623p yesterday after issuing its second profit warning of the year. The group said one-off costs and higher interest charges of around £3m resulting from the £127m special dividend paid last year would mean that profits would fall in the first half of the current year.

However, it also unveiled the market with a new warning that it was seeing sluggish or even negative growth in a number of markets. In January, the group saw its shares crash 110p,

also to 623p, after it revealed that sales had grown by a disappointing 4 per cent, like-for-like, in the month before Christmas Eve, its top selling season.

Yesterday, it said that like-for-like sales had accelerated to 5.5 per cent in the first 18 weeks of 1997, a rise of 12 per cent in unadjusted terms.

Analysis had been braced for further difficulties after Argos said in March that higher paper prices and distribution costs would make it difficult to improve on last year's record £31.8m interim profits. Even so, many full-year forecasts were

trimmed yesterday. Sean Eddie at NatWest Markets clipped his by £7m to £153m, some £12m above 1996 profits, and voiced concerns about a possible slowdown in the group's growth rate.

It was disappointing to see prices being "sharpened" at a time of depressed volumes while, more importantly, the group was also adding to overheads, he said. "They have geared themselves into needing more sales at the same time as sales are proving more elusive."

However, Nick Hawkins, an Argos follower at Merrill Lynch, suggested the problems

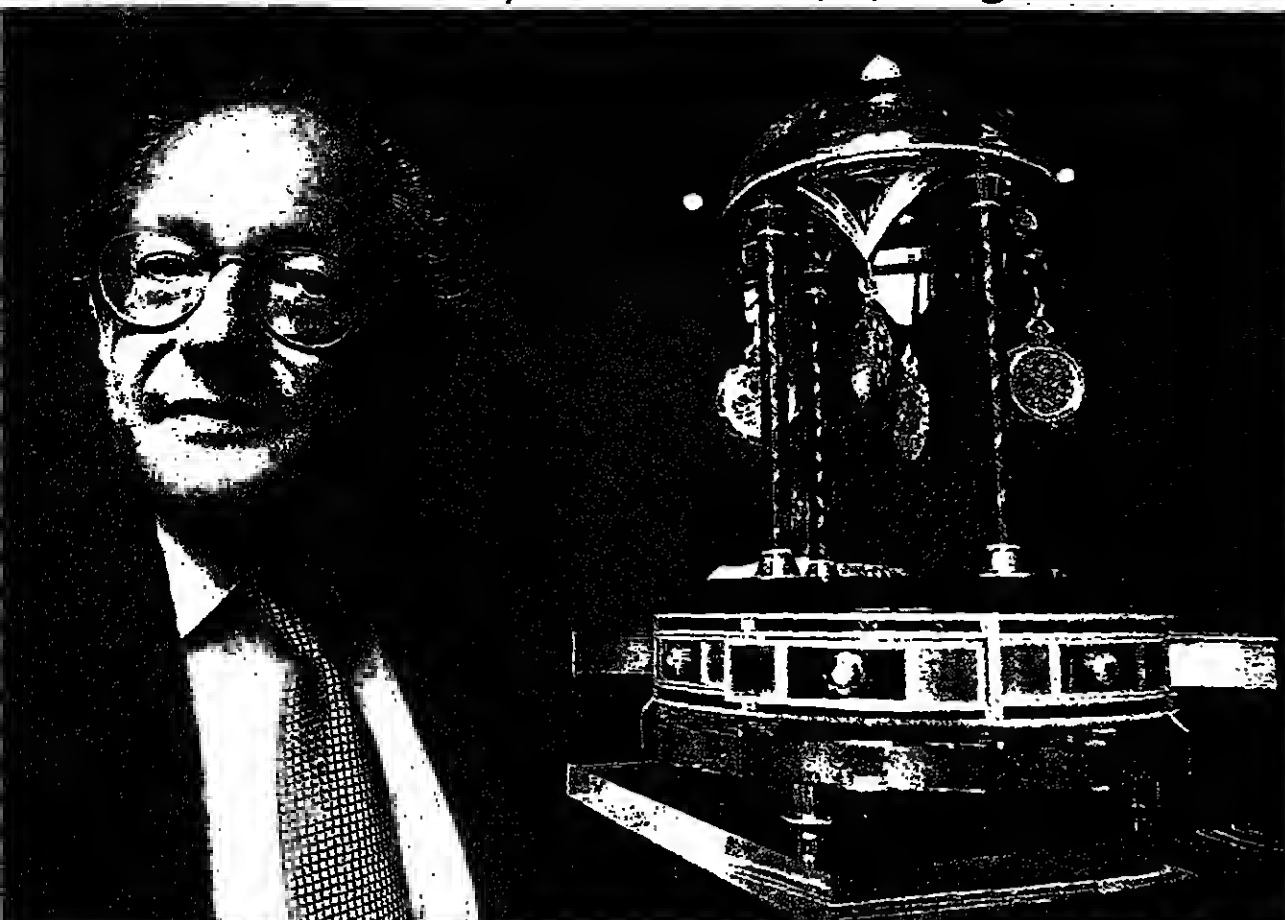
were more general: "The lack of consistency and predictability in sales at the moment is of some concern. If things are not nice and stable and solid at this stage in the cycle, there could be more worries ahead." But he added: "Nobody is pointing the finger at Argos, it's all about the consumer."

The Argos warning came at the retail group's annual general meeting yesterday. Sir Richard Lloyd, chairman, told shareholders that, despite the depressed state of some of its markets, it continued to believe it was growing its market shares. As usual, the final outcome for

the year would be much more heavily dependent on the final quarter than on the first half. "Your board is expecting a stronger second-half performance compared with 1996 and believes the group is well positioned to demonstrate continued growth in 1997 as a whole."

He said the group was continuing with its strategy to boost sales, fundamental to which was "setting the high street agenda". Of product lines reappearing in this year's catalogue, 94 per cent are included at the same or a cheaper price, which had resulted in a 2 per cent reduction in average selling prices.

## Time is a Carousel: Four pocket watches, 3,000 gem stones and a price of £4m



An embarrassment of riches: Marcus Margulies (pictured left), chairman of watch retailer Time, looks at the Carousel of Time, a collection of four Swiss pocket watches costing no less than £4m.

The collection houses almost 3,000 gem stones, including 1,645 diamonds, 448 emeralds and same number of rubies and sapphires.

The carousel alone is fashioned with more than 3kg of engraved white gold.

Manufactured by Blancpain, the long-established watchmaker, the aim is to combine advanced movement components with extravagant craftsmanship.

Sadly the watches have one other drawback apart from the price: they all need to be wound by hand. Time Products will reveal its annual financial results today.

Photograph: Ben Schott

## IMI gives warning on strong pound

Sameena Ahmad

IMI, the engineering group, yesterday added its name to the lengthening list of UK companies to warn about the impact of the strong pound on its profits.

At its annual general meeting, Sir Eric Pountain, chairman, conceded that the strength of sterling, particularly against the German mark, could lop £15m off full-year profits – £5m more than the group forecast at its full-year results in March. However he added that despite sterling, "we expect that the first half will be up on 1996."

IMI is heavily exposed to the German market through its building products interests, with around 45 per cent of group sales sold into Continental Europe. However analysts were unimpressed by the news and IMI's shares slipped just 3p to 358p.

James Capel's Patrick Marshall said: "They already told us the bad stuff on sterling, so this is not big news. IMI has always been quite prudent. In all likelihood they will do better on profits than this statement suggests."

Zafar Khan, an analyst at SGST, pointed out that there had been some easing of currency pressures in the last few days. "I am not changing my £133m profit forecast for the full year yet. But with some numbers as high as £160m, I think there will be downgrades in the market."

IMI's finance director, Alan Emson, shrugged off suggestions that its statement was a profits warning. "We are simply giving our best estimate of how currency changes will affect us." He denied that the group's acquisition of German-based radiator valve group Heimer had left it over-exposed to the weak mark and European construction sector.

## Digital TV bid may go to court

Cathy Newman

The battle to run digital terrestrial television could end up in the High Court, it emerged yesterday, after British Digital Broadcasting (BDB), the bidder which includes Carlton, Granada and BSkyB, launched a bitter assault on its rival, Digital Television Network (DTN).

BDB sources said the inclusion of United News & Media, Lord Hollick's newspapers to television group, in the DTN bid threatened to contravene in-

dependent Television Commission rules governing changes to applications after the final deadline of 31 January. United revealed last week that it would take a 30 per cent stake in DTN if it won the digital terrestrial licence, due to be announced by the ITC next month.

A source within BDB said: "The rules are clear: you can't submit extra information after the closure of the bid, particularly when you've had time to study the other's bid."

It is thought BDB could seek

a judicial review of the ITC's decision. Because United joined provisionally in the DTN consortium after the deadline it is understood to have submitted changes to its application to the ITC. They cover the United directors who would join the operation and United's shareholding.

Further disclosures are thought to include information on the political affiliations of Lord Hollick, United's chief executive and Labour peer. Lord Hollick has become a special ad-

visor to Margaret Beckett, the President of the Board of Trade.

A spokesman for United News & Media said he was confident the amendments did not breach the ITC's rules in any way which could be deemed by the ITC to be unfair. The spokesman said: "We had to supply them with an amended version of parts of the submission, concerning what it would look like if DTN were successful in getting a licence."

However, he admitted the changes were sensitive.

## Portman to take over smaller society

Nic Cicutti

Portman, one of the most vehemently pro-mutual building societies, is to take over Greenwich Building Society later this year, the two organisations announced yesterday.

The takeover, officially called a merger, will lead to payments of 5 per cent gross on the balances of savers, up to a maximum of £2,500. Borrowers will receive a £200 bonus if Greenwich members approve the deal in June.

Ken Culley, chief executive at Portman, said: "The merger will be beneficial to members of

both societies and will add further strength to Portman, already recognised as a leading society in the South of England."

The deal would add Greenwich's seven branches to the 109 already operated by Portman, which has assets of more than £4m and is now the UK's 10th largest society.

Greenwich's head office will be used to provide a postal and telephone service to members of both societies.

One City analyst said last night: "This prefigures some of the defensive retrenchments we are likely to see among mutual societies in the next few years."

## Bid talk lifts shares in Canadian Pizza

Shares in Canadian Pizza, the pizza and pizza-crust maker, yesterday leapt from 89.5p to 100p after it announced it had received a tentative approach.

The company, floated in 1993, issued a statement about "possible offers being made".

"The board confirms that one tentative approach has been made, which may or may not lead to an offer for the entire issued share capital."

Neither Peter Woodall, managing director, nor Barry O'Connell, chairman, would elaborate further.

Canadian Pizza – which is to change its name to Paramount

Foods before 1 July – has issued three profits warnings since 1993. But in March the company began to change its fortunes, with the announcement of a 51 per cent rise in annual pre-tax profits to £2.1m.

As recently as last Friday, at its annual meeting, Canadian claimed it intended to grow through acquisition and "through the development of the opportunities that exist within the current businesses".

Last March it bought Meridian Foods, the cooking sauces and low-sugar jam specialist, for £1.13m as part of its diversification strategy.

## THE INVESTMENT COLUMN

EDITED BY MAGNUS GRIMOND

# SGB scaffolding looks to Far East for profits growth

Past problems continue to haunt John Mowlem, the construction group, despite its remarkable turnaround under new management over the past 18 months or so. The decision to float SGB, the scaffolding business which forms Mowlem's most profitable

division, says more about the millstone of a £50m Eurobond at an 11.5 per cent interest rate than any grand strategic plan.

But the group is doing its best to have its cake and eat it: the float should save Mowlem £1.7m a year in interest costs, while its decision to retain 51 per cent of SGB will allow it to continue to consolidate the scaffolding group's profits.

That represents a powerful vote of confidence in SGB from its former owner, which must assume another year of profits growth ahead. New investors may, however, choose a more cautious approach.

Certainly SGB looks a decent enough business on the face of it. Half its £135m UK sales come from the SGB Youngman hire-and-sale operation, which claims market leadership in non-powered building equipment such as scaffolding and access towers.

Another 30 per cent of SGB's domestic turnover is derived from contracting, of which around a quarter is specialist scaffolding for oil refineries, chemical plants and the like. Here the hope is that, given the high barriers to entry, this will provide better and more sustainable margins than the wafer-thin fare usually provided by traditional contracting.

SGB also has new management, most of whom appear to have been parachuted in from Laporte by Ken Minton, the chemicals group's former chief executive who chairs Mowlem and its scaffolding subsidiary. The team is already busy on a £3.7m rationalisation programme for the manufacturing division, which will involve around 200 jobs being cut for an annual saving of around £2m by 1998.

However, despite its international spread, SGB remains highly dependent on large and lumpy contracts. A large chunk of the profits growth over the past two years has come from work for the new Hong Kong airport, which came to an end this year. Robert Stokell, the chief ex-

ecutive who arrived from Laporte in October, is confident the baton can be picked up by other Far Eastern business, but he still has to prove that large parts of SGB's UK operation are more than just in commodity businesses.

He should be given a fair wind in his quest by the house-building revival, even if an upturn for general construction might help the scaffolding industry more. Assuming pre-tax profits come in at around £15m this year, brokers are tentatively looking at a forward P/E of 14 on the £130m-odd launch value. That is no bargain, but the issue should go well in the current market.

## British Bio hit by no-news-is-it

Never mind cancer, British Biotech needs to find a cure for no-news-is-it. Shares in the UK's largest biotechnology group have underperformed the market by 25 per cent since hitting a 326p high 12 months ago. Small wonder the group has resorted to dressing up old news as new.

Yesterday it used the pretext of a presentation given to a US conference on digestion to announce that final-stage clinical trials on its most advanced drug, Zacutax, the acute pancreatitis treatment formerly known as lexipafant, resulted in fewer patients dying and less

organ failure. But the story had already been well-rehearsed and British Bio's shares fell 4.5p to 243.5p yesterday.

Many observers reckon Zacutax will be a small drug in sales terms: some project peak world-wide sales as low as £50m against estimates as high as £600m. If borne out, the lower figures would be immaterial in terms of British Biotech's share price.

Even so, Zacutax remains important. Given the encouraging clinical data on the treatment, the group could be the first UK biotech to get a new drug on the market, something that would undoubtedly help sentiment.

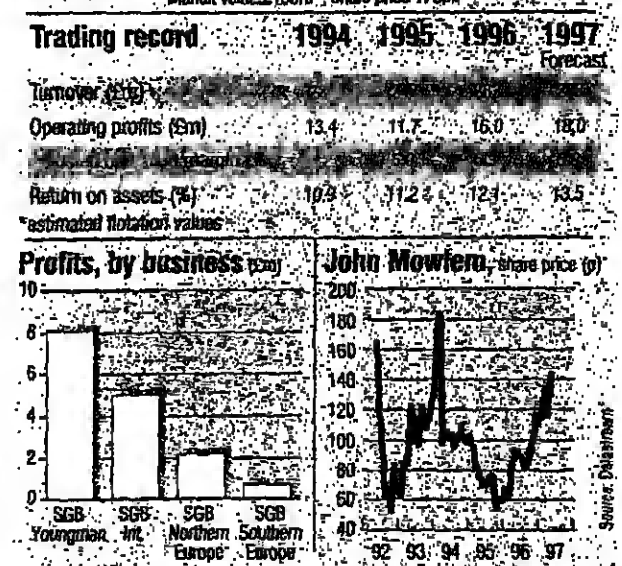
True, Celtech is racing to get its sepsis drug to market first, but this has yet to be filed for approval, whereas Zacutax has already been submitted to the European authorities.

With no other treatments for pancreatitis around, the drug could be fast-tracked for approval by the year-end. More importantly, approval of Zacutax will allow the group to break in its freshly installed and untried sales and marketing teams in Europe on a minor drug before the launch of the biggie – its cancer medicine, Marimastat.

That could eventually be worth \$1bn and analysts reckon 75 per cent of British Bio's valuation rests on this product alone. Though British Bio has much to prove, a positive launch for Zacutax should be just the tonic it needs.

## SGB: at a glance

Market value: £130m, share price 775p



## Sparkling year for Old English Pub

It is not just the giants of the drinks industry which are consolidating to combat the effects of a mature market. Right at the other end of the scale, the Old English Pub Company has been showing for the past few years how to attack the well-lined pockets of middle-class drinkers in the prosperous south of England by scooping up small country pubs and inns.

Since its flotation at 50p on the Alternative Investment Market nearly two years ago, the company, headed by former Grand Metropolitan executive Barry Warwick, has raised close to £19m and taken the chain from under 30 to 88 outlets.

All the while, the shares, recently promoted to the main market, have risen pretty much in a straight line, adding another 10p to a new all-time high of 266.5p yesterday on another cracking set of results.

Pre-tax profits more than tripled, rising from £494,000 to £1.63m, in the year to March. Earnings per share leapt from 2.86p to 7.77p.

With a group expanding this fast, it is often difficult to disentangle the underlying picture. In fact, the stated 11 per cent rise in sales translated into a more pedestrian 5 per cent on a like-for-like basis.

More important though was the effect on margins, which have climbed from 13.1 to 17 per cent at the operating level.

The formula continues to work, but the cost remains high. Gearing was 140 per cent at the year end and is only set to fall to 68 per cent by 2000, with another 18 houses in a sweep from Hampshire to Surrey to be added this year.

Even if profits hit £3.5m in 1997, the shares on a forward multiple of 21 fully discount the prospects. Hold.

## Great North Eastern seeks extra decade on franchise

Randeep Ramesh  
Transport Correspondent

Great North Eastern Railway, which runs high-speed train services from London to Scotland, is seeking to extend the length of its franchise by a decade to invest in new rolling stock and upgrade the electrified line.

Chris Garnett, chief executive, outlined plans to buy a fleet of 10 tilting trains worth up to £200m and make a substantial upgrade to run trains at 140mph for most of the east coast journey. In return GNER wants to extend its licence from seven years to 17.

"We know now that unless we make additional capital invest-

ment we will have acute difficulty in carrying the numbers of passengers," said Mr Garnett. Under the current legislation, the length of a franchise cannot be extended without being re-tendered and offered to other competitors, but he believes the Secretary of State has the authority to waive that part of the process.

The company has held exploratory talks with the new administration, but Labour ministers have yet to come to terms with the intricacies of the private railways and a decision is not expected for some months.

GNER, which has been run by Sea Containers for 12 months, considers itself a victim of its own success, with passenger volumes up 8 per cent, resulting in passenger revenues of £252m.

The problem for GNER is that it has an average load factor of 59 per cent.

It predicts that this will rise within two years to 65 per cent – which will mean that most trains in the rush hour will be overcrowded.

# Citibank PC Banking.

## Free Software. Free Service. Free Setup.

### Free demo - 0800 00 88 00.

Call us anytime or visit our website <http://www.citibank.co.uk>

With Citibank's PC Banking you can review, manage and record your finances 365 days a year.

Ref No: 11ND401 Account opening subject to status. Citibank International plc. Registered office: 356 Strand, London WC2R 1JG. © Registered mark of Citibank, N.A. Ultimately owned by Citicorp, New York, USA.

**CITIBANK**  
THE CITI NEVER SLEEPS.



e Settimanale

CITIBANK

Barst Int	287	+3 1/2	62	190	2607
Bell Wtr	305	+1 1/2	56	192	2603
Cumand W	305	+	55	194	2290
Courtside	287	+	49	199	2070
Corda	280	+	37	198	2329
Douglas	287	+	45	192	2655
Ellis & Bard	289	+	45	193	2692
European Col	287	+	45	192	2695
Holmes	287	+1	46	193	3070
Holaday	140	-1 1/2	44	194	2067
ICI	140	+2 1/2	47	227	3092
Kaiser Op	139	+	45	193	2695
Laporte	289	+3 1/2	49	193	3035

first direct

**Free  
banking  
night  
and day**

for 24 hour telephone banking

 **0800 24 24 24**

For full written details of our services write to First Direct, Freepost, Leeds LS38 2HF. First Direct is a division of Midland Bank plc. First Direct reserves the right to decline to open an account for you. Calls may be monitored and/or recorded. Applicants must be 18 or over. Free banking means that there are no charges for cheque and cash machine withdrawals in the UK, standing orders and direct debits. Switch payments or monthly statements.

Member HSBC  Group



# Stick 'em together, pull 'em apart. It's the Velcro age



Hamish McRae

**Present corporate restructuring differs from the takeover-driven culture. It is typically an agreed process rather than an antagonistic clash**

It is the age of the Velcro company. We had an example yesterday with Guinness/GrandMet. But there are many more. ICI splits into two and the smaller bit, Zeneca, becomes the larger one. Then the smaller bit buys a chunk of Unilever because that seems to fit better in ICI. Hanson spends three decades merging, then little more than three months demerging. And so on.

But why? Why this stick 'em together, pull 'em apart culture? The best place to start is with a paradox. In many ways the world of business is becoming more predictable. Companies face much smaller swings in interest rates, and lower levels of inflation than they have for a generation. They probably will face smaller swings in currencies — insofar as currency movements reflect differential inflation. But if the financial world in which companies operate has become more stable, their own structures have become less stable.

Of course quoted companies, certainly in the Anglo-Saxon world, have long been subject to the threat of a takeover. But present corporate restructuring differs from the takeover-driven culture in several ways. Even high-profile restructuring is typically an agreed process, involving the sale and purchase of company divisions, rather than an antagonistic clash between two managements. Much restructuring involves management buyouts or buy-ins, or the outsourcing of services, rather than actual takeovers.

Restructuring is much more likely to be international — the purchase of a company or a division of a company by an organisation in another country — than it was a generation ago. And — partly a function of this cross-border element — it frequently takes the form of an agreement to co-operate, a strategic relationship, which may or may not be reinforced by a shareholding, rather than an outright takeover.

These differences are themselves the result of a series of changes in the global economy which, taken together, help explain the rise of the Velcro culture. There are at least four.

One (particularly important in the case of Guinness and GrandMet) is the impact the explosion of information has had on the need for global brands. Well, perhaps "need" is the wrong word, for we hardly need the variety of brands that are available in any British supermarket any more than the Chinese actually need Coca-Cola. But in a world of infinite information it certainly becomes possible to sell a brand globally in a way that would have been very much more difficult a generation ago.

Result: great pressure on companies that own national brands to extract more value out of them by turning them into international ones. But while the rewards for so doing are enormous, it is an expensive and complex process, putting pressure on brand-owners to band together.

A second change is the growing importance of human capital in in-

ternational competitiveness. When a company's main assets were physical plant and equipment, the main case for a merger or a takeover was to acquire that plant. Sure, the buyer would be acquiring customers too — distribution and market share — but that was usually just a function of acquiring the product line and the means of producing it. Increasingly now, the main asset being acquired is the brains of the staff. These may be in the form of patents or systems or a royal stream, but sometimes (as in investment banking) the asset is simply the people themselves.

If the principal asset of a company is human capital it becomes possible to move in and out of businesses much more quickly than it would be if the principal asset is a physical one. As an example, German companies have recently bought much of the British motor industry and much of its investment banking industry. But while BMW will clearly take several years to sort out the problems of Rover, Deutsche Bank and Dresdner Bank have made an immediate impact on Morgan Grenfell and Kleinwort Benson.

None of these takeovers has been entirely smooth, and there must be those who wonder whether the investment decision was entirely wise. But if BMW wanted to reverse its strategy and sell Rover, this would be an enormous upheaval. On the other hand, were the banks to decide to pull back, the London investment banks could be separated from their parents and sold in a matter of months.

Not all people businesses will go global, for there are cultural limits. Advertising provides a good example of an industry where global dreams have faded. But many will.

Change number three follows from the last point. It is the move into the international traded area of many services that were previously only sold nationally. Typical examples are national network businesses which have become international ones: airlines, telephone services, postal (and courier) services and — just beginning — television. A generation ago international airline routes were often pooled, with the

revenues and the flight slots split between two national carriers, both of which charged identical fares. There was no choice of phone company; courier services were only just beginning to break the monopoly of national postal services for urgent parcels; you could not watch another country's television.

The barriers in these industries are falling at different rates, but the direction of change is clear. As a result, a whole series of international links are being forged: code-sharing in the airlines, telecommunications mergers, the growth of courier services, international television link-ups. These links are not necessarily takeovers, though they may take that form; they do, however, provide many examples of this Velcro corporate world.

Finally, the very fact that the financial world is more stable (and more international) means more pressure on all companies to perform. Companies can be compared more easily internationally and are less likely to enjoy advantages (for long) from undervalued currencies or subsidised interest rates. So if a part of the group does not seem to fit, there is more pressure to dispose of it.

If it is at least a partial answer to the "why?" question, where will this process lead? I can see two main trends. One is that more industries will become like the motor or oil industries, dominated by a handful of giants and with little or no room for the middle-sized. There will be a handful of airline groups, a handful of telecommunications groups, a handful of financial service companies, and probably a handful of global food and drink groups.

At the same time, there will be an explosion of very small companies. As the giants consolidate, they will find themselves shedding more and more fringe functions, which they will need to buy in, quite often from people who were previously employed by them. As a result, the emergence of more global giants will create more opportunities for tiny companies, not fewer. The bigger companies become, the more they need small ones to help them.

# Dress to suit yourself when you ball with the Lord Mayor

## PEOPLE & BUSINESS

Sadly, the Lord Mayor of London, Alderman Roger Cook, is unavailable for comment on the spectacular collapse in dress standards for the Mansion House Dinner in June. He's touring Slovenia.

Last year Kenneth Clarke started the rot at Mansion House when he abandoned the 120-year-old dress code of white tie, a complicated affair of bibs and studs, in favour of the black-de "French waiter" look.

Now his successor, Gordon Brown, has let it be known that he will be wearing a bank manager-style lounge suit.

I am told that Mr Brown always wears exactly the same thing — dark blue suit, blue shirt, red tie with white spots on it and black shoes (no Clarke-style Hush Puppies nonsense).

New Labour insiders speculate that he once bought a job-off of them to save time.

Alderman Cook will be wearing his full bib and tucker, whatever anyone else turns up in. But it could be said that past Lord Mayors could have contributed to this modern malaise.

Back in the 18th century Sir William Curtis MP, known as "Billy Biscuit" because of his Bermondsey naval biscuits factory, was mercilessly lampooned for his absurd get-ups.

A collection of George Cruikshank's cartoons of our Billy, illustrated here in an imaginary costume, goes on show at the Guildhall Library next week.

Back to today. The Treasury is sanguine about the current flight from formality at Mansion House, but the City Corporation is a little more concerned.

A spokesman says: "Will it be T-shirts and flip-flops next year? I'm not sure that we have ever seen anyone in T-shirt and jeans at this occasion. On the other hand we're not in the business of chucking people out."

Everyone's talking about that Dinner. You know the one, on 10 April, when George Bull, chairman of GrandMet, invited his opposite number at Guinness for a spot of dinner. By the time



Taking the biscuit: Sir William Curtis, an 18th century rebel

the liqueurs came they had decided on a £20bn merger.

According to Mr Bull, the confidential tête-à-tête in central London was a jovial affair. "We have been friends for years," he says.

"Tony Greener and I have known each other for 17 years and have been in 'friendly conflict' with each other across the world, and therefore it's a matter of great pleasure now to come together."

"The discussions started because I invited Tony to dinner," says Mr Bull.

"It was exactly at that dinner on that date that I put the proposition that perhaps it was time that we settled down to a serious discussion and consider the prospect and the possibility."

Mr Greener then shot off for a week's holiday in Africa where he

mulled the idea over, having instructed his underlings to figure out whether the regulators would allow the deal. They thought yes, and the rest is history.

Whether the merger was toasted with malt whisky, Mr Bull wouldn't say.

Granada and Yorkshire-Tyne Tees (YTT) are cosying up again, I hear, following Granada's recent frosty proclamation that it had "no present intention of bidding for YTT".

Granada already holds 27 per cent of YTT, and City punters are panting for a bit of bid action. But Granada recently broke off contact with the TV company as it thought YTT had been trying to "talk up" its bid price.

Then last week both Gerry Robinson, Granada's chairman, and Charles Allan, the company's chief executive, were spotted sitting in the front row of YTT's agm.

Taking valuable time off from their programme of selling nif various hotels, messrs Robinson and Allan then shared the Forte corporate jet with Ward Thomas, YTT chairman, as they flew back from Leeds to London after the agm. The pipe of peace was smoked, and merger talks were resumed. Look out for a statement soon.

Evita lyricist Tim Rice and Yorkshire-born interviewer Michael Parkinson had the shine wiped off their weekend last Friday when Pavilion Books, a small publishing company of which they are both non-executive directors, went bust.

Happily the receivers, Keith Goodman and Philip Monjack of Leonard Curtis, managed to sell the business yesterday to another up-and-coming London publishing house, C&B Publishing.

Pavilion produces coffee-table books, mostly with a culinary bent.

John Willcock

### Foreign Exchange Rates

Country	Spot	1 month	3 months	Spot	1 month	3 months
US	1.6248	9.7	26.23	1000		
Canada	2.2282	65.42	157.1	13669		
Germany	2.7628	79.73	261.21	17004		
France	93.934	250.234	736.708	57202		
Italy	228.021	645.2	2121.3	13669		
Japan	162.53	105.124	310.304	1649		
Belgium	142.13	88.25	268.32	13432		
Denmark	57.025	280.230	830.730	64759		
Netherlands	31.079	88.82	271.258	18928		
Ireland	10.714	5.12	15.96	1.5		
Norway	11.534	330.280	950.350	70254		
Spain	233.72	2.11	69.51	14394		
Sweden	12.467	240.25	735.05	171345		
Switzerland	233.36	57.90	291.279	14356		
Australia	2.0894	0.3	30.20	12841		
Hong Kong	12.583	82.88	271.2	77401		
Malaysia	4.0932	0.0	0.0	25.12		
New Zealand	2.3357	2.5	2.14	14375		
Saudi Arabia	6.0939	5.0	0.0	14375		
Singapore	2.3376	0.0	0.0	14350		

### Other Spot Rates

Country	Spot	Country	Spot
Argentina	162.53	Nigeria	138.557
Australia	2.0894	Oman	0.857
Brunei	1.7340	Pakistan	65.4282
China	14.7676	Philippines	26.3990
Denmark	57.025	Portugal	27.0491
France	93.934	Romania	8.9754
Germany	2.7628	Saudi Arabia	6.0939
Greece	4.0932	Singapore	2.3376
India	56.2248	Taiwan	27.0000
Indonesia	1.4922	UAE	3.6731

Forward rates quoted high to low are at a discount; subtract from spot rate.  
Rate quoted low to high are at a premium; add to spot rate.  
For the latest foreign exchange rates call 0891 123 3033.  
Calls cost 50p per minute.

### Interest Rates

UK	6.25%	US	8.75%	Japan	0.50%
Base Rate		Prime		Discount	
Interbank	3.5%	Discount	5.0%	Discount	2.5%
Italy	7.5%	Prime	4.75%	Spain	3.00%
Netherlands	2.0%	Discount	5.0%	Sweden	100%
Advances	2.0%	Discount	3.25%	Repo (P/A)	4.0%

### Bond Yields

Country	5yr yield %	10yr yield %	Country	5yr yield %	10yr yield %
UK	7.0%	6.8%	Netherlands	2.9%	4.3%
US	6.4%	6.2%	Spain	7.8%	7.3%
France	5.9%	5.7%	Sweden	6.2%	6.7%
Germany	5.2%	5.0%	Italy	6.2%	6.7%
Japan	5.0%	4.8%	Belgium	5.0%	5.5%
Australia	4.8%	4.6%	Switzerland	5.0%	5.5%
Canada	4.8%	4.6%	Denmark	5.0%	5.5%
Sweden	4.8%	4.6%	Finland	5.0%	5.5%

### Money Market Rates

Instrument	Rate	Instrument	Rate
3m UK	6.25%	3m US	8.75%
6m UK	6.25%	6m US	8.75%
1yr UK	6.25%	1yr US	8.75%
3m Euro	6.25%	3m Yen	0.50%
6m Euro	6.25%	6m Yen	0.50%
1yr Euro	6.25%	1yr Yen	0.50%

### Tourist Rates

Country	Rate	Country	Rate
Australia	1.7340	France	93.934
Canada	2.2282	Germany	2.7628
China	14.7676	Italy	228.021
Denmark	57.025	Japan	162.53
France	93.934	Netherlands	107.14
Germany	2.7628	Sweden	12.467
Italy	228.021	Switzerland	233.36
Japan	162.53	USA	1.6248

### Life Financial Futures

Contract	Settlement	High/Low	Open
Long UK	101.77	101.77	101.77
Short UK	101.77	101.77	101.77
Long US	101.77	101.77	101.77
Short US	101.77	101.77	101.77

### FTSE 100 Index Option

Settlement	Settlement	Settlement	Settlement
4800	4800	4800	4800
4800	4800	4800	4800
4800	4800	4800	4800
4800	4800	4800	4800

### Energy

Instrument	Rate	Instrument	Rate
Oil	10.00	Gas	10.00
Oil	10.00	Gas	10.00
Oil	10.00	Gas	10.00
Oil	10.00	Gas	10.00

### Commodity Indices

Index	Rate	Index	Rate
Oil	10.00	Gold	10.00
Oil	10.00	Gold	10.00
Oil	10.00	Gold	10.00
Oil	10.00	Gold	10.00

### Industrial Metals

Instrument	Rate	Instrument	Rate
Aluminum	10.00	Copper	10.00
Aluminum	10.00	Copper	10.00
Aluminum	10.00	Copper	10.00
Aluminum	10.00	Copper	10.00

### Precious Metals

Instrument	Rate	Instrument	Rate
Gold	10.00	Silver	10.00
Gold	10.00	Silver	10.00
Gold	10.00	Silver	10.00
Gold	10.00	Silver	10.00

### Agricultural

Instrument	Rate	Instrument	Rate
Wheat	10.00	Corn	10.00
Wheat	10.00	Corn	10.00
Wheat	10.00	Corn	10.00
Wheat	10.00	Corn	10.00

### Other Softs

Instrument	Rate	Instrument	Rate
Softs	10.00	Softs	10.00
Softs	10.00	Softs	10.00
Softs	10.00	Softs	10.00
Softs	10.00	Softs	10.00

## Latest Unit Trust Prices

Unit Trust	Price	Unit Trust	Price	Unit Trust	Price
ABN AMRO	1.00	ABN AMRO	1.00	ABN AMRO	1.00
ABN AMRO	1.00	ABN AMRO	1.00	ABN AMRO	1.00
ABN AMRO	1.00	ABN AMRO	1.00	ABN AMRO	1.00
ABN AMRO	1.00	ABN AMRO	1.00	ABN AMRO	1.00

"Information professionals rank Financial Times Information as the most important UK business information provider"

Annual Business Information Survey 1996

Headline Business Information

Financial Times Information provides online information from over 5,000 business sources comprising 43 million documents, as well as a database of 3.5 million securities and fundamental data on quoted companies.

For more information contact Andrew Hill on +44 171 825 8400, or email: info@ft.com. For free samples of our service, visit our website: <http://www.ft.com>

FINSTAT - instant PC access to Financial Times Statistical data.

For further information, call Lee Anne Gilliar at FT Information on +44 171-825-8430 or email: leeane.gilliar@ft.com

FINANCIAL TIMES Information

FINANCIAL TIMES Information

FINANCIAL TIMES Information

FINANCIAL TIMES Information

FINANCIAL TIMES Information

FINANCIAL TIMES Information

FINANCIAL TIMES Information

FINANCIAL TIMES Information

FINANCIAL TIMES Information

FINANCIAL TIMES Information

FINANCIAL TIMES Information

FINANCIAL TIMES Information

FINANCIAL TIMES Information

FINANCIAL TIMES Information



## Stewart make points in race for acceptance

**Motor racing**  
DERICK ALLSOP  
reports from Monte Carlo

Many have, over the years, cast envious glances across the harbour to a new life. For Jackie Stewart and his cohorts, escape from Alcatraz is now a very real prospect.

Stewart told the world he was prepared to serve his time, commit his clan to hard labour, and earn his return to Formula One's high society. Just five years into his term, he and the rest of the Stewart-Ford organisation have a second place to show for their endeavours.

Rubens Barrichello's excellent performance, eclipsed only by the imperious Michael Schumacher and his Ferrari, in Sunday's Monaco Grand Prix, raised hopes in Stewart's camp of a base in the main paddock, alongside the established teams, rather than the cell in a remote back road unaffectionately

known among inmates as Alcatraz.

At management level, this extraordinary success was seen as a powerful marketing weapon: a means of prising more sponsorship money, perhaps £6m to £8m, to add to the working budget of £20m. Stewart was advertising space on their car available to the right bidders and so far the offers have not met their requirements.

Paul Stewart, son of Jackie and the team's managing director, said: "We have plans to grow and we're looking at big sums of money to achieve that. We have space on the car, but we've turned down smaller bids because we don't want to split up the space. We want the right deal."

"Motor sports is all about success, so any achievement is going to reflect well on the company and help us. People are not going to be knocking on our door, but this result means they will be more receptive. We have

major partners, like Ford, and that's a big incentive, but we still have to find other money if we are going to be in a position to compete with the top teams."

The Stewart name might open doors, but we still have to do business. It might be some people would like to see us fail, but if they consider long and hard enough they might feel this is good for the sport in general and the motor racing public."

Apart from any sponsorship this past weekend may have generated, the Stewart team have picked up useful prize-money, and travel and freight allowances. Not to mention the points to improve their chances of moving up Formula One's jealously guarded pecking order.

Stewart have jumped to seventh in the constructors' championship, immediately behind Jordan-Peugeot. Their fortunes should not have escaped the attention of Damon Hill, who rejected offers from both to sign for Arrows-Yamaha.



Jackie Stewart watches his son, Paul, juggle with the novel task of holding a trophy at Monte Carlo Photograph: AP

Hill is still seeking his first finish of the year. Not that his former team, Williams-Reault, performed any better here. Their decision to start the race on an obviously

slippery track with slick tyres instantly conceded the initiative to Schumacher, and both Jacques Villeneuve and Heinz-Harald Frentzen were lapped before they hit barriers and retired.

Williams have had a propensity for howlers in their past and they admit to getting it wrong here. But blunders tend to be magnified when perpetrated by the best and Williams remain

the team to beat. Although Schumacher and Ferrari head the standings, that could change at Barcelona on Sunday week. It would be typical of Williams to come back with a one-two.

## Rockets and Bulls close in on the finals

**Basketball**

The Chicago Bulls and Houston Rockets moved within a win of their conference finals with road victories on Sunday, but both received scares.

Michael Jordan scored 27 points and Scottie Pippen 26 as the Bulls survived a late comeback by the Atlanta Hawks for an 89-80 victory and a 3-1 lead in their best-of-seven Eastern Conference semi-finals.

The Rockets had to go to overtime and needed 26 points and a three-point shot by 36 seconds left from rookie Matt Maloney to overcome the SuperSonics 110-106 and go up 3-1 in their Western semi-final.

The Bulls forward Dennis Rodman played only 11 minutes, but he took his tally of technical fouls to nine in the play-offs. "It's obvious Dennis can't play many minutes because his foul-to-minute ratio will be one-to-one, and the rest of us have to take up that slack," the Bulls forward Brian Williams said.

## Entice has the potential to attract

**Racing**  
GREG WOOD

Twelve months ago, as the sun rose on the Dante meeting at York, the Godolphin string which had arrived from Dubai barely a fortnight earlier had already produced the winner of one British Classic and the third runner home in another. Saeed bin Suroor, the man who holds their trainer's licence on Sheikh Mohammed's behalf, was at the head of the prize-money table, just as he was when the season closed six months later.

This time around, the situation is rather different. Yesterday's *Racing Post* listed the top 49 trainers in Britain so far this season, and while this is sufficient to include several handlers with more experience in sellers than Classics, bin Suroor's name is conspicuously absent. The Turf's Luddite tendency, the old-timers who know only that Dubai is on the wrong side of Dover, are probably enjoying every minute.

But not, perhaps, for much longer. Any punter who is prepared to write off Godolphin's class of '97 on the basis of a handful of disappointing runs is the sort who gets birthday cards from their bookmaker, and the tide may turn as early as this afternoon, when Entice contests the Musidora Stakes, a race which seems sure to be the most significant snip of form on Oaks morning next month.

The form horse in this race is Reams Of Verse, a shaly antipost favourite for the Oaks in the absence of anything better, who was sixth behind Sleepytime in the 1,000 Guineas.

York  
2.05: Durdal may be best suited by 10 furlongs. In contrast, this trip is well within the compass of last year's winner, REMAADI SUN. But this five-year-old does need a strong run race to show his best.

2.35: Further rain would not harm the prospects of POLAR FLIGHT, who means a mile event at Cologne next week but should be even better suited by this distance. The bookie of

has the form trainer, too, in Henry Cecil, who has won the Musidora six times since 1985, but carries 3lb more than her nine rivals and could be vulnerable.

**RICHARD EDMONDSON**  
NAP: Blue River  
(York 2.35)  
NB: Malwood Castle  
(Chepstow 2.20)

nerable to an improving, unexposed filly. Noisette, Society Rose and Calypso Grant are among those to consider, but none makes as much appeal as Entice (next best 3.10).

Success for the Godolphin runner today might prompt the regulars at Pontefract to observe how typical it is, after that, they had waited for many years to see a potential Classic winner, two came along at once. Form at the West Yorkshire track rarely offers many clues to the following season's best events, but there is every encouragement in Entice's narrow defeat of Fahis - now a 16-1 chance for the Derby - following his success in the Feilden Stakes at Newmarket - there last October. Symonds Inn, third that day, had previously run Yorkie to two-and-a-half lengths at Newmarket, so Entice

clearly set off for her winter retreat in the Middle East as a filly of some potential.

"She's doing very nicely at the moment," Simon Crisford, Godolphin's racing manager, said yesterday. "Her form has worked out well, she's progressed, and the thing with her is that she will progress and improve throughout the season. The ground and the trip at York will suit her well."

Nor is there a hint of panic following Godolphin's uncharacteristic start to the campaign. "Ninety per cent of the horses have run to their form," Crisford said, "but the ones which real-

ly mattered in the big races have not. We've had excuses. Shamikh was lame and Moonlight Paradise isn't 100 per cent now, but however many excuses you find, it has been a wobbly start, and we're looking to put it back on an even keel this week."

Entice should start that process today, on a day which offers punters any number of interesting contests. Many will look to Angus-J, in the opening handicap, as the soundest bet of the day, but while Mary Reveley's runner has a solid chance on the book, this is a far more competitive event than his odds suggest, and TEMPTRESS (nat 2.05) could be the one to beat him. Mr Bombastie (2.35) must also go well, but as for the sprint handicap, do not even think about it.

Branton Abby, the most prolific winning mare this century, landing 24 races, was put down yesterday because of grass sickness. An eight-year-old, who had been trained by Mark Johnston, she was retired at the end of last season and was in foal to Mark Of Esteem.

### YORK

2.05 Remaadi Sun  
2.35 Polar Flight  
3.10 Entice

**GOING:** Good (Good to Soft in places).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £8).  
STALLS: 10 of 11 - standard odds round course - inside. DRAW ADVANTAGE: None.  
Left-hand, undulating course. Flat and ideal for the powerful gallop.  
Course is in 1m 5 of 5 on A1000. York station 1m. ADMISSION: Course Stand £22 (11-25 years old £14); Terrace Stand £12 (11-25 years old £



## sport

## Newcastle the undisputed kings of the North-east

As if relegation from the Premiership were not enough of a crying shame, the followers of Middlesbrough and Sunderland were yesterday coming to terms with the realisation that neighbouring Newcastle United are in a different league – perhaps twice over.

When the demoted pair go to Greater Manchester, it will be to Gigg Lane and Edgeley Park instead of Old Trafford. The Valley, rather than High-bury, will be their destination in the capital. Meanwhile, Newcastle can spend the summer in eager anticipation of the draw for the European Champions'

League, in which they will participate if they survive August's qualifying round.

The previous campaign ended amid television images of tearful spectators. This time, as the *Match of the Day* credits rolled over shots of distressed Middlesbrough and Sunderland fans at Leeds and Wimbledon respectively, the Geordie faithful were again on the Tyne. The runners-up spot was an unexpected reward for the eight-match unbeaten run Kenny Dalglish's side put together following the nadir of Monaco.

To point out the cyclical nature of football's emotional

extremes will be scant consolation on Tyneside or Wearside, although Boro may yet gain the considerable consolation of the FA Cup and entry to the Cup-Winners' Cup.

Win or lose at Wembley, their chairman, Steve Gibson, is threatening High Court action to win back the three points docked by the Premier League for failing to fulfil December's fixture at Blackburn. The motivating force may be embarrassment masquerading as a sense of injustice: it bears repeating that even if Boro had sent out a weakened side at Ewood Park, and lost heavily,

## Phil Shaw on the painful reality for two football clubs reduced to a twilight zone

they would have survived the First Division cut.

Legal action, and the ill will it would generate, might prove to be another of Boro's expensive follies. For while they have spent barely half Newcastle's transfer outlay under Kevin Keegan – the undoubted role model for the Riverside revolution – Gibson and Robson have had relatively poor value for their £30m investment.

Of their exotic imports, only Jumbo has been an unqualified

success. Gibson, pointing to the lucrative contracts they have signed, is adamant that they will leave only when Boro agree to let them go. However, they might be advised to cut their losses rather than have team spirit further undermined by the idiosyncrasies of Fabrizio Ravanelli or Emerson.

Compared with Gibson's claim about "men in grey suits" sending Boro down, Sunderland's man with grey hair was a model of dignified resignation

on Sunday. But supporters must be wondering why Peter Reid spent less than a third of the £10m transfer kitty reportedly made available by his chairman, Bob Murray.

Trying to stay up on the cheap worked no better for Reid than buying abroad did for Robson. It says everything for Sunderland's madequacies that their joint leading scorers, Craig Russell and Paul Stewart, amassed four goals each. As in their last one-season sojourn in the top flight, 1990-91, they never won back-to-back games.

After averaging gates of 19,000 this season (10,000 less

than Boro), the new 42,000-seat stadium at Wearmouth looks wildly over-sized for such attractions as Oxford and Reading. One journalist, judging many of the manager's recruits to be past their prime, has suggested they call it Jurassic Park. Tonight, when Sunderland hid farewell to Roker Park in a friendly against Liverpool, it will be revealing to see who, if anyone, bears the brunt of the crowd's disappointment.

Ironically, after all their rivals' gloating over Keegan's exit, Newcastle have now confirmed their status as the North-east's premier club and also made a

European breakthrough which even their chairman believed would have to wait. Sir John Hall admits he was ready to "write off" this season as Dalglish took stock of the situation.

Not so long ago, Sir John recalled, Newcastle hoped to be in the European Super League which he believes will come "sooner than people think, with the next TV deal". Now, with "the right manager" in place, they expect to be in it. "While we may not have won anything," he said, adding the words that must have hurt at Middlesbrough and Sunderland, "the future's all ours."

## In it for the money and real thrills

The committee-room poopers failed to ruin the party on the paddock in rugby union's inaugural professional season, says Chris Hewett

It was rugby at its most dispiriting: mean-minded, spiteful, unimaginative, unpleasant. Big boys indulging in silly little games, their self-importance inflated to harrage balloon levels. At times, Twickenham seemed like the most grotesquely ostentatious, irksomely grandiose kindergarten in Christendom.

Thankfully, things were a whole lot better on the pitch, where the players – remember them? – did everything in their power to make a success of the first fully professional season in the history of the European game. And successful it was, despite Cliff Brittle, Epruc, the RFU Reform Group and all the other besuited and heightened botes of the crashing variety.

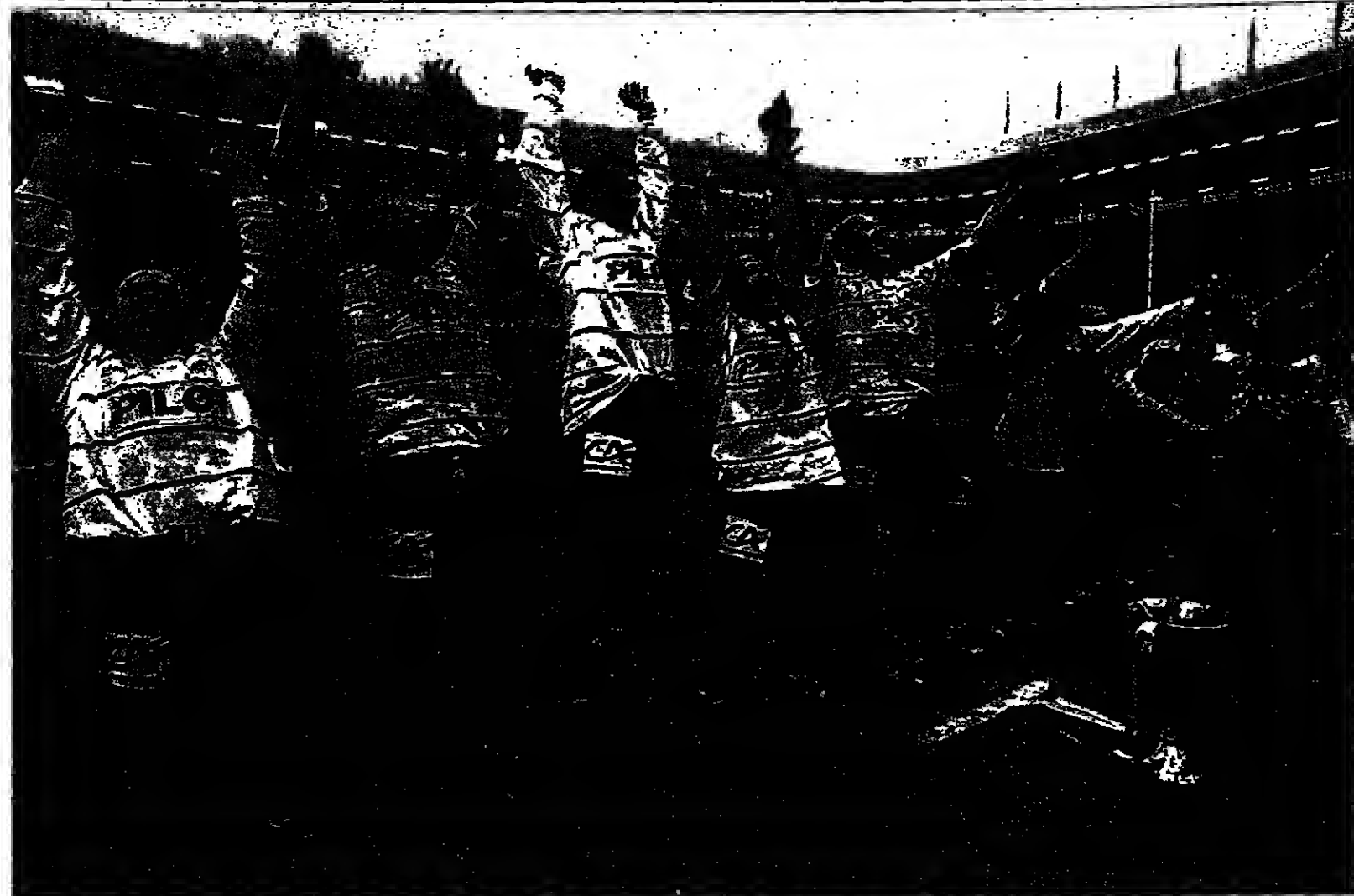
After choosing on the field of the committee room, it was with the most profound relief that rugby's rank and file breathed deeply of the fresh air out there on the playing field where, at a conservative estimate, the positives of professionalism outweighed the negatives by a zillion to one.

OK, so the Pilkington Cup final had more whump than bang about it: sure, it was painful to see O'Reilly, a decent and lovable club, wriggling helplessly on the wrong end of the financial hook; granted, too many gullible team managers found themselves railroaded into shelling out duff money for mediocre players who, by any reasonable yardstick, might have considered themselves lucky to be paid at all. On balance, though, a small price to cough up for the hypnotic experience of Real McCoy rugby at home and abroad. Much of it was stunning.

For all that, we ignore at our peril the hidden costs of a kaleidoscopic campaign. Take a look at Martin Johnson, Eric Miller, Simon Shaw, Rob Howley or any one of a dozen others who fly to South Africa with the Lions on Saturday and you will stare British rugby's most pressing problem square in the eyeballs. These men are exhausted: zonked, clapped out, dead beat. Some of them have played 30-plus front-line matches this season and the insanity of our fixture list is seen in its full perspective when you realise that those players are the fortunate ones. Others have played 40 games, a handful nearer 50.

More than anything, it was the unprecedented level of fatigue that accounted for Leicester's pragmatically tight-fisted Cup final performance at Twickenham at the weekend, a morale-deadening sight that brought a legion of anti-Tiger diatribes out of the woodwork, their nostrils flaring with the scent of a told-you-so kill. Yet Bob Dwyer's assertion that his Midlandsers could hold their heads high as English rugby's outstanding side was perfectly legitimate, for while Bath, Harlequins and Wasps, popular and hard-working league champions, enjoyed purple patches at different stages of the season, none approached the heights scaled by Leicester either side of Christmas.

There was nothing coincidental about the fact that Leicester went two rounds further than any other English side in the Heineken Cup, a competition so rich in passion and adventure that the Five Nations' Championship appeared flat and unappealing by comparison. So



Jole de Brive: The richly talented Heineken Cup winners celebrate their ascendancy as the best club side in Europe

Photograph: Allsport

strong and capable were the Tigers as the tournament soared to its climax that only a force of nature could conceivably have denied them a first European title. When the force arrived, it wore the colours of Brive.

Here was something entirely unexpected: a side from the French heartlands, equipped with the full quota of skills and techniques associated with *Tricolore* tradition, yet capable of displaying both a serene calm and an iron discipline in the most pressured of circumstances. When Alain Penaud, David Venditt, Philippe Carboneau and, most magnificently, Christophe Lamaison were given the opportunity to continue their fraternal musketeership in the French national side, the result was a Grand Slam.

The Heineken Cup threw up another quality outfit in the shape of Wasps, although the impact of their emergence was deflected by early reverses against Cardiff and Munster. Effective-

ly out of the competition, they regrouped around their captain, Lawrence Dallaglio, and put 70 points on a full-strength Toulouse side who, until then, had been everyone's title favourites. Few, if any, appreciated the full implications of that slaughter at the time but in hindsight, it amounted to an irrefutable declaration of the Londoners' league blue credentials.

If the game relinquished

some of its treasures during the last nine months – Brian Moore, John Hall and Courage Bitter may not have been to everyone's taste but rugby was enriched by its association with all three – it has failed to free itself from a number of exasperating, potentially ruinous impediments. First among these, of course, is the festering dispute between rival factions at the very heart of the Rugby Football Union, now

to be the subject of a judicial inquiry complete with Crown Court judge. Lock up the lot of them up, I say, and do as you like with the key.

Equally pressing – well, almost – are the concerns over gray-train economics. Several leading English clubs have attracted investment packages of around £2.5m but, at current salary levels, that money will have evaporated by the end of

next season. It does not take Gordon Brown to work out that such flagrant expenditure will end in tears and if the English Rugby Partnership, the newly constituted body now running the top end of the domestic game, is worth even a sprinkling of salt, it will force those, under its jurisdiction into some form of wage-capping agreement.

Playing standards will certainly accelerate next season, especially with Richmond and Newcastle diving the inaugural Allied Dunbar Premiership into an intriguing and competitive edge, but the fixture madness threatens to undermine progress at every turn.

The French, who have been campaigning all year for less rugby rather than more, held a round of their national championship last Sunday and, in all but one of the eight matches, a single score separated the sides. Now that is quality. Are we too proud to admit that our Continental brethren may be on the right lines?

**Seasons' main men, hits and misses**

**Man of the year**  
Lawrence Dallaglio (Toulouse)  
For whatever reason, Johnson took a little time to find his feet in the opening phases of the international season. It was not such a good idea. For the remainder of a compelling night, the Gloucester pack took a severe dislike to all things Leicester. You may win the odd game at Kingsholm, but you don't win many titles.

**Player of the year**  
Rob Howley (Leicester)  
So there was Rob, all on his Jack Jones at Sarum Abbey while the rest of the England squad were listening to seductive speeches at a London hotel. It just about summed up the whole RFU-Epruc dispute: no one managed to get anything quite right.

**Coach of the year**  
Rob Smith (Wasps)  
No one ever talks about Rob Smith, least of all Rob Smith. However, it is a truism to say that Wasps could not conceivably

## Contract chaos threatened by Murphy dispute

PAUL STEPHENS

The Rugby Football Union, riven by discontent and factionalism over its handling of the television contract negotiations with BSkyB, could soon become embroiled in another damaging dispute, this time over its own player registration regulations.

At the centre of the controversy is Chris Murphy, the West Hartepeul second row who wants to sign for Sale, and his agent Mike Burton, the Gloucester-based entrepreneur, whose place in rugby record

books was firmly established when, in 1975, he became the first England player to be dismissed in an international.

Burton alleges that the RFU's refusal to deregister Murphy constitutes a restraint of trade and he has threatened legal action. If Burton's claim succeeds, the RFU's attempt to manage a regulated transfer market could be in tatters.

Murphy decided to leave West once they were relegated from the Courage top flight. He chose Sale, who have agreed to pay £45,000, ahead of Newcastle, but before he can move the RFU has to deregister him as

a West player before registering him for his new club. This the RFU will not do until West release Murphy from his contract which has almost two years to run.

"In the first place," Burton said, "Murphy only has a service contract, which contains a period of notice. West were in breach of that contract anyway, when they failed to maintain Murphy's regular salary payments. So, having given West one month's notice, he is now a free agent."

"But this isn't about contracts, it is about the registration regulations. I see players'

contracts almost every day and most of them aren't worth the paper they're written on."

"In the aftermath of the Bosman transfer ruling, the Premier League are having to rewrite all their contracts and rugby might have to do the same, or very soon we will be faced with utter chaos."

The RFU will not agree to deregister a player if he is in dispute – if, for instance, he owes his club money or fails to return a club car. Neither will it do so if there is an unserved period of a contract remaining.

"This is absurd," Burton said. "A contract between a club and

a player has nothing to do with the RFU. I have no wish to go to war, but they must first abide by their own regulations."

"It says clearly in the RFU's handbook that any player holding registration with a club may, upon written application to the registrar, deregister from that club. The player will cease to hold registration 30 days from the receipt of his application."

"Murphy wrote to the RFU on 1 May, so he is free to register for another club on 1 June. By refusing to accept his application, the RFU have violated Article 48 of the Treaty of Rome. Murphy's case consti-

tutes a restraint of trade under European law. I have told the RFU so by letter and informed them that I will take legal action unless they deregister him."

The RFU has already said that it would be better if there were some uniformity of contracts. However, most leading clubs use their own contracts, which are approved by the RFU.

Andrew Hindle, the chairman of West's board of management, said: "Murphy has a contract, which the RFU has seen and we believe to be valid," he said. "For Burton to suggest that Murphy is free to move while two years of his contract are out-

standing is plain daft. We have no intention of standing in Murphy's way. We are willing sellers, Sale are willing buyers, and things have been agreed."

With the new season 14 weeks away, Murphy is in no hurry to sign, knowing that he can expect more favourable personal terms from Sale, if they are not obliged to pay a fee.

Meanwhile, the RFU must decide whether to take seriously Burton's threat of legal action or avoid it by deregistering Murphy. Either way, some redrafting of the registration rules and the acceptance of uniform contracts seems inevitable.

## TODAY'S NUMBER

7,550

The amount in pounds won by a punter who in 1988 – placed a £10 bet on a Glasgow branch of the book-makers, Coral, in Rangers winning nine consecutive Scottish Football League titles. The odds were 150-1, and he collected his winnings yesterday.

# RELAXED

...BECAUSE DIRECT DEBIT IS THE MOST CONVENIENT WAY OF PAYING BILLS AND SHOULD YOU EVER NEED TO, DDs ARE EASILY CANCELLED. JUST CONTACT YOUR BANK.

UK BANKS AND BUILDING SOCIETIES

## DIRECT Debit

DD YOUR DOUGH

هكذا من الامم



## sport

# Rusedski misses his chances

## Tennis

JOHN ROBERTS reports from Rome

It could be argued that Britain made a reasonable start to the men's championships at the Italian Open yesterday, given that the condition of Greg Rusedski's wrist was the chief concern.

Rusedski, although defeated by Albert Portas, a Spanish qualifier, 7-6, 7-4, at least had the consolation of experiencing no physical pain. All he had to do was to have future opportunities to advance beyond the opening round.

Likewise, we should be grateful at this stage if Tim Henman's elbow proves equal to the test today, regardless of the outcome of his first match for two months. He, too, plays a Spaniard, and the British No 14 seed is well aware that Roberto Carretero is far more dangerous on clay courts than a current world ranking of No 334 suggests.

Rusedski, playing for the first time since retiring hurt during the St Petersburg tournament in March, was disappointed that his form wavered each time he was on the point of taking control. After breaking for 5-3, he lost his serve to love when the opening set beckoned and was then unable to convert a set point in the tie-break at 7-5, something to make a volley which flew over the baseline. To compound matters, Rusedski hit a smash into the net on change of serve for 7-9 on Portas's third set point.

The Spaniard saved two break points at 4-4 in the second set, going on to win the tie-break, 7-4, after Rusedski had recovered from 2-4. "I was pleased with the way I served (he delivered 14 aces), but the big points were terrible," Rusedski said. "Usually I fancy myself in two tie-break sets."

Portas, at No 67 ranked 28 places below Rusedski, frequently picked off his opponent's rushes to the net. As Rusedski pointed out, Portas recently had a run of 19 wins on clay, including victories against

Marcelo Rios and Alberto Berasategui.

As a reward for his efforts, Portas will play the winner of today's contest between Pete Sampras and Jim Courier. While Portas and Rusedski dined on No 2 Court yesterday, Courier practised on an adjacent court.

It was while playing Sampras in the final of the San Jose event in February that Rusedski had to retire because of the wrist injury. "It would have been nice if I could have got a re-match with Sampras," Rusedski mused.

Rusedski was not the only mighty server to suffer yesterday. Australia's Mark Philippoussis was eliminated by Karim Alami, of Morocco, 6-2, 6-0 - a far cry from Philippoussis's clay-court triumph in Munich last month. He said at the time that there was no reason why he could not beat anyone he played against, "no matter what surface I play on." Not on this occasion.

Alami was the first player to beat Pete Sampras in 1994, when the world No 1 started his year in Doha, Qatar.

Richard Krajicek, the Wimbledon champion, began brightly in spite of the effects of a flu virus. The Dutchman defeated Diego Nargiso, an Italian wild card, 7-5, 6-3.

Thomas Muster, the holder of the Italian title for the past two years, eased past Marzio Martelli, another home player with wild card, 6-3, 6-2. Muster's win enabled him to balance his clay-court record for the season, 4-4, after a vulnerable start to the campaign on a surface he usually dominates.

"You can't expect me to win every clay court tournament like I have in the last two years," the former world No 1 said. Asked if his sluggish form on clay had been an indirect result of his success on concrete courts earlier in the year, with tournament wins in Dubai and Key Biscayne, he paused before saying, "Maybe it's a question of motivation."

With the French Open less than a fortnight away, Muster is the last player one would expect to need a kick-start.



Greg Rusedski contemplates defeat against Albert Portas yesterday. Photograph: Allsport

## Graf to play at Eastbourne

Steffi Graf, the seven times Wimbledon champion, yesterday confirmed that she will play in the Direct Line grass-court tournament in Eastbourne from 16 to 21 June, which takes place the week before Wimbledon.

"I'm going to play Eastbourne now," Graf said as she began her comeback in Berlin. "It's on my list. I would have played there last year if I hadn't had a problem with my knee."

Exactly 100 days after being consigned to the sidelines by a knee injury, Graf was back,

slamming the ball in her first competitive match since being dethroned by Martina Hingis as the world No 1.

Graf was playing in a doubles match on the opening day of the German Open, and was clearly happy to be back in action. "The moment I stood on the court and hit the first ball in training was unbelievably wonderful," Graf said. "I knew the reason why I've worked these months."

Graf will face Chanda Rubin of the United States either today or tomorrow in her comeback singles match as she tries to win her 10th title in Berlin.

Graf's says that playing again has nothing to do with trying to replace Hingis from the top of rankings. The two were expected to meet here, but Hingis fell off a horse and withdrew.

"Being No 1 isn't a motivation. Sorry can't help you with that," Graf said, and laughed. Graf's relaxed mood was in sharp contrast to last year, when her father was still jailed on charges of tax evasion and she fought back tears when lifting the winner's trophy.

# Robinson's rash charge hands victory to Surrey

## Cricket

DAVID LLEWELLYN reports from The Oval Surrey 310-8 v Sussex 299 Surrey win by 11 runs

Ian Salisbury found a gold lining under the clouds here yesterday. The sometime England leg-spinner helped Surrey to topple his former county colleagues in a tight finish to their Benson and Hedges Cup match with a devastating spell of four wickets in six balls.

There was a brave flourish from Paul Jarvis, who thrashed a six and two fours in successive deliveries from Ben Hollis.

In the penultimate over, but a moment of foolishness by the last man, Mark Robinson, who went for a single when all he had to do was stay put and leave the Yorkshireman to hit the dozen runs needed for victory.

The ball struck Robinson's pads and, distracted by the loud appeal for leg before, the batsman set off for a single that Jarvis most certainly did not want. Alistair Brown, who had already had a direct hit to run out Keith Greenfield earlier in the innings (a throw from 25 yards), made no mistake from a lot nearer. It was a shame. Jarvis had been well on course for the Gold Award, thanks to his haul of four wickets. As it

was Salisbury took the award, and Surrey go into tomorrow's quarter-final draw.

Even before Jarvis's effort, Surrey had made a fist of it and looked to be well on the way to victory. Neil Taylor thumped 67 in even time. Mark Newell hit his second successive half-century in the competition again at a run a ball, and Rajesh Rao also smashed a useful 61.

But Salisbury first applied the brakes, then broke. Sussex hearts as he bowled Newell, Bill Athey and Nick Phillips before having Amer Khan leg before attempting a sweep.

But the clouds had not been confined to the skies in south London. Alec Stewart was involved in a heated exchange with the umpire, Graham Burgess, when Taylor, on 58, was given not out after an appeal for a catch behind. At the end of Jason Ratcliffe's over, Burgess was ordered by Stewart to reach the other end then spoke to him.

Afterwards, Stewart explained: "The boys started having a go at the batter. I said settle down, never have a go at the batsman. The umpire [Burgess] had a pop at me. A couple of words were exchanged. But after I explained that I was trying to calm the situation down he apologised."

The matter will not be taken further and Stewart had the added satisfaction of scoring his third half-century in five B&H outings this season. His England team-mate Graham Thorpe was top scorer with a well-paced 78 and the pair's form will reassure the England selectors.

## Stop-start for Somerset

## HENRY BLOFIELD

reports from Lord's Somerset 172-4 v Middlesex

The wretched weather continues. Somerset, who were put in to bat, began their innings at 11 o'clock and, after four interruptions for rain, added up to almost five hours, were still six wickets and 12 overs from ending it at 6.40 when the weather brought the players in for the last time.

The first hold-up came after eight minutes, by which time Mark Latham had been caught at second off James Hewitt. Simon Ecclestone soon followed, Yorked by Hewitt. But there was then a good stand of

108 in 140 balls between Michael Burns and Peter Bowler, both of whom cut and drove in fine style.

Burns' 50 came in 72 minutes with five fours and one six - a cover drive into the new Mound Stand - off Angus Fraser. He then tried to pull a ball from Fraser which was too far up and he was caught at mid-on. Fraser bowled an excellent spell with his usual immaculate control, taking 1 for 23 in his 10 overs.

Bowler's 50 arrived after yet another stoppage in 75 balls with seven fours. Soon after that, Graham Rose was caught at first slip trying to run Jacques Kallis to third man and, after Richard Harden had pulled Kallis for six, bad light and rain put everyone out of their misery.

## Yorkshire secure home draw

## Round-up

Yorkshire guaranteed themselves a place in the quarter-finals of the Benson and Hedges Cup, and a probable home draw, with an emphatic 184-run victory in their Group A match against the Minor Counties at Headingley yesterday.

Yorkshire scored 309 for 5 from their 50 overs with Anthony McGrath compiling a career-best 109 not out. Facing 85 deliveries, he struck three sixes and eight fours and dominated the closing stages with 79 of the 112 runs scored from the final 13 overs.

The openers Steve Dean and

Wayne Larkins put on 63 from 13 overs but Craig White took three wickets in nine deliveries and then the last seven wickets tumbled for 20 runs.

An unbeaten century by the Australian left-hander Matthew Hayden guided Hampshire to their first win of 1997 at the 11th time of asking in all competitions. The battle to avoid the wooden spoon in Group C saw the county strugglers overcome the spirited challenge of the British Universities by seven wickets with nine balls to spare.

Set 285, Hayden finished on 120 not out with support coming from Giles White (56) and Robin Smith (45 off 44 balls) to secure a long overdue victory.

For the students, Umer Rashid hit 82 off 100 balls and Will House blasted 37 off 21 deliveries.

Jeremy Snape took 5 for 32, including three wickets in eight balls, to help Northamptonshire beat Gloucestershire by 52 runs and join their victims as qualifiers from Group B.

Surrey's win against Sussex means that even if Gloucestershire reach their target of 240 against Kent at Bristol today they cannot reach the quarter-finals. When rain curtailed Gloucestershire's reply they had reached 25 without loss off 4.2 overs.

There was no play at Derby, Downpatrick or Glasgow.

## CRICKET SCOREBOARD

<b>Benson and Hedges Cup</b>	<b>Yorkshire v Minor Counties</b>	<b>Gloucestershire v Kent</b>	<b>Northamptonshire v Leicestershire</b>
One-day matches	One-day matches	One-day matches	One-day matches
<b>Yorkshire v Minor Counties</b>	<b>Gloucestershire v Kent</b>	<b>Northamptonshire v Leicestershire</b>	<b>Gloucestershire v Kent</b>
Yorkshire won toss	Gloucestershire won toss	Northamptonshire won toss	Gloucestershire won toss
Yorkshire 309 for 5 (Hayden 109 not out, Dean 63, Larkins 63, White 79, McGrath 109 not out, Fraser 1 for 23, Bowler 1 for 23, Ecclestone 1 for 23, Hewitt 1 for 23, Kallis 1 for 23, Latham 1 for 23, Rose 1 for 23, Smith 45, Snape 5 for 32, Taylor 67, Thorpe 78, White 56, Worrall 1 for 23, Young 1 for 23)	Gloucestershire 85 for 5 (Hayden 109 not out, Dean 63, Larkins 63, White 79, McGrath 109 not out, Fraser 1 for 23, Bowler 1 for 23, Ecclestone 1 for 23, Hewitt 1 for 23, Kallis 1 for 23, Latham 1 for 23, Rose 1 for 23, Smith 45, Snape 5 for 32, Taylor 67, Thorpe 78, White 56, Worrall 1 for 23, Young 1 for 23)	Northamptonshire 184 for 5 (Hayden 109 not out, Dean 63, Larkins 63, White 79, McGrath 109 not out, Fraser 1 for 23, Bowler 1 for 23, Ecclestone 1 for 23, Hewitt 1 for 23, Kallis 1 for 23, Latham 1 for 23, Rose 1 for 23, Smith 45, Snape 5 for 32, Taylor 67, Thorpe 78, White 56, Worrall 1 for 23, Young 1 for 23)	Gloucestershire 85 for 5 (Hayden 109 not out, Dean 63, Larkins 63, White 79, McGrath 109 not out, Fraser 1 for 23, Bowler 1 for 23, Ecclestone 1 for 23, Hewitt 1 for 23, Kallis 1 for 23, Latham 1 for 23, Rose 1 for 23, Smith 45, Snape 5 for 32, Taylor 67, Thorpe 78, White 56, Worrall 1 for 23, Young 1 for 23)

## Conner enters the fray for America's Cup

## Sailing

With 48 hours to tomorrow's deadline for challenges for the America's Cup in New Zealand in 2000, the man who has made winning and losing the trophy his life's business, Dennis Conner, has again thrown his hat in the ring, writes Stuart Alexander.

As losing defender to the Kiwis in 1995, he will again represent the Californian city of his birth, but instead of competing on behalf of the San Diego Yacht Club, Conner has mounted the challenge through the lesser-known Cortez Racing Association.

The \$200,000 (£125,000) de-

posit has been paid but no details of any major backers have been announced. It is thought, however, that Conner may continue his association with the Auckland-born Chris Dickson, who will co-skipper for him the Toshiba entry in the Whitbread Race starting in September.

They replace the injured John Fowler and Martin Bayfield. World equities in New Zealand, 2000, the man who has made winning and losing the trophy his life's business, Dennis Conner, has again thrown his hat in the ring, writes Stuart Alexander.

## SPORTING DIGEST

## Baseball

**AMERICAN LEAGUE:** Boston 6 Texas 8 Detroit 11 Cleveland 3 Baltimore 9 Seattle 5; NY Yankees 6 Kansas City 2 Chicago White Sox 3 Oakland 5 Milwaukee 5 Anaheim 2 Minnesota 2 Toronto 3.

**NATIONAL LEAGUE:** Florida 6 Houston 3 Atlanta 3 Colorado 2 Pittsburgh 2 Arizona 5; St Louis 4 NY Mets 6 Los Angeles 3 Montreal 6 (in 10); San Diego 5 Cincinnati 4 (in 11); San Francisco 11 Chicago Cubs 5.

**Baseball:** EASTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** WESTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** EASTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** WESTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** EASTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** WESTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** EASTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** WESTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** EASTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** WESTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** EASTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** WESTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** EASTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** WESTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** EASTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** WESTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** EASTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** WESTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** EASTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** WESTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** EASTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** WESTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** EASTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** WESTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** EASTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** WESTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** EASTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**Baseball:** WESTERN CONFERENCE: Seattle Mariners 7 New York Yankees 3 (New York lead best-of-seven series 2-1); Atlanta 80 Chicago 69 (Chicago lead best-of-seven series 2-1).

**OUT NOW!**

**THE ESSENTIAL GUIDE TO THE FA CUP FINAL**

**WEMBLEY, SATURDAY, MAY 7**

**FA CUP SPECIAL**

**on sale at newsagents now £2.95**



## Thrills and ills

Chris Hewett looks back at the rugby union season, page 22

## sport

## Italian Open

John Roberts sees clay defy  
Greg Rusedski, page 23

## Hodgson wants Sforza to follow him to Blackburn

Football  
ALAN NIXON

Blackburn Rovers are hoping to bring over Ciriaco Sforza from Internazionale to link up again with the English coach, Roy Hodgson, who will be making the same switch this summer.

It could cost Rovers £3m to accommodate Hodgson's wish for the Swiss midfielder to follow him from Milan. Hodgson grabbed Sforza for the Swiss national side when he was their coach, before taking him to Italy.

Hodgson plans five major signings this summer with the backing of Rovers' owner, Jack Walker, and Sforza is one player he is confident of capturing. Hodgson's other targets apparently include Milan's French striker Christophe Dugarry, the Monaco pair Ali Benarbia and Emmanuel Petit, and the Swedes Anders Andersson, a midfielder, and Pascal Simpson, a striker.

Paul Ince has apparently been offered an improved two-year contract by Inter's president, Massimo Moratti, in a bid to keep him in Italy.

Graham Taylor is back, almost, to square one. The former England manager, who has been working as general manager at Watford, has assumed control of team affairs at Vicarage Road, where he was manager from 1977 to 1987. Taylor will also continue as general manager, with Kenny Jackett reverting from team manager to first-team coach.

Since Elton John returned to Watford for his second spell as chairman, the club have also announced a restructuring of the board of directors. Watford suffered a disappointing end to

the season, slipping out of the Second Division play-off places after drawing too many games.

Matthew Le Tissier has agreed to extend his 11-year career with Southampton, following the club's Premiership survival at the weekend.

"I'll still be here next season," he said. "I've always been a strong supporter of the club and I've made my views clear. What I've said all along is that as long as we're in the Premier League I would be happy to stay."

If, as he expects, George Graham completes the signing of the Rangers defender David

Robertson for Leeds United, the fee for the 28-year-old Scottish international is likely to be decided by the home international tribunal. The Scottish champions want around £1.5m for Robertson, but Leeds are believed to be willing to offer only £500,000.

Arsenal have signed a £250,000 deal with a local school to help develop future Highbury players. They have teamed up with Highams Park School to allow a selection of promising 14-year-old footballers to join the academic roll at the comprehensive and train

with the Premiership club in their spare time.

Richard Carr, an Arsenal director who will become one of the school's governors, said: "We're very excited by the idea. In three years' time we will have 30 talented young footballers based at the school who will be able to hone their skills every evening after they complete an hour's supervised homework."

The scheme is the brainchild of Liam Brady, who is Arsenal's head of youth development.

Kilmarnock will ask for extra Scottish Cup final tickets after selling their 23,000 allocation for

the match at Ibrox on 24 May. Hundreds of fans have been turned away from Rugby Park following the public sale of tickets for the clash with Falkirk, the club's first final for 37 years.

Kilmarnock's club secretary Kevin Collins said: "The tickets disappeared like snow off a dyke! We were sold out in a few hours." Falkirk, of the First Division, sold the 7,500 tickets they put on public sale.

Alex Ferguson was named as the Carling Manager of the Year yesterday, after leading Manchester United to their fourth Premiership title in five years.

## Taylor's form troubles the Ashes tourists

Cricket  
DEREK PRINGLE

It began with what looked suspiciously like a Shane Warne propaganda video, littered with Pomme hatsmen being happily unravelled to the accompaniment of some moody guitar from Dire Straits. But if the idea came from the frothy world of their new sponsors, Coca-Cola, the remainder of the Australians' press conference was as sensible as their nondescript grey-green suits, the presence of which is surely the real reason the team stopped-off in Hong Kong.

Beary-eyed - though nothing to suggest that any of them had topped David Boon's mile-high record of beer imbibing - they do not look like the archetypal Aussie cricketers of yore, when hissing moustaches above yellow and green-

striped blazers made them appear as exotic and dangerous as a tropical snake.

Once the video gloat-fest had finished and the lights had been flicked back on, Michael Parkinson, the invited master of ceremonies, declared the "bun-fight" open. It was an interesting term to choose and one that, given England's presence, many in the Australia media believe to be an appropriate description of this summer's Ashes.

But if the gauntlet was down between the two press factions, it was left to Mark Taylor, their left-handed captain, to pat back the usual diplomatic pleasantries about how the "Ashes" was the ultimate in cricket and that it was "all-out at the moment" before buckling down to defend the slightly trickier questions regarding his lack of runs.

"My form has been terrible," agreed Taylor, who has failed to pass 50 in his last 20 Test innings.

"Mind you, I firmly believe that whether or not someone is in or out of form, they are only one innings away from either."

At which point he cited his innings of 98, made against Somerset, as a personal watershed on the 1989 tour. "Up to that point my highest score was 11. People have been saying that I'm giving myself until the third Test to get a score. I don't have a schedule - but what I do have to do is prove myself to myself, as well as the other selectors, that I'm one of the best two openers in the side."

The tribulations of their captain do not disguise the fact that the Australians are a side in transition. Having recently lost several "legends" - such as Allan Border, David Boon and Craig McDermott - they are in the process of rebuilding.

Theoretically, then, they could be vulnerable, particularly if their four key players - Shane Warne, the Waugh twins and Glenn McGrath - do not fire early on. Whether or not England can exploit any lapses is another matter; if Australia regularly post scores of more than 380 in their first innings, there will only be one winner.

For that reason, England must pour all efforts, both physical and strategic, into their bowling - and that includes the pitches which, assuming the compliance of the groundsmen, should either be slow green seamers or raging turners.

The second option may sound daft but given that the wrist-spin of Warne and Michael Bevan is likely to turn



Waugh and peace: Australia's captain, Mark Taylor (left), and his No 2, Steve Waugh, set the tone for the Ashes yesterday. Photograph: David Ashdown

on any surface other than a sheet of glass, the Australian batsmen may as well be put under the same pressures.

Once again Warne, whose spinning finger was operated on a year ago this month, is likely to be a pivotal figure. He rocks on as he backs close to his best, and if a swollen knuckle means he has had to cut down on the "bingo" deliveries, his role as a 30-overs-a-day stock bowler belies the sheer mayhem he will cause.

Considering that the Ashes holds such great cultural importance, the Australians' preparation for the series appears to be relatively casual.

With the traditional curtain-raiser against the Duke of Norfolk's XI on Thursday, Taylor's men have just six one-day matches (including the three Test fixtures) and two three-day games before the first Test at Edgbaston. If the long overdue rain continues to fall, Australia could be as underprepared for this series as England were in Zimbabwe.

Changing that format means breaking up their powerful middle-order, though the burgeoning assurance of the exciting left-hander, Matthew Elliott at No 3, ought to offset the absence of Greg Blewett should the South Australian

be the player forced to make way for an extra seam bowler. Australians are an unseasoned bunch, not used to nurturing their weak. Which is why Taylor's progress or lack of it over the coming weeks may be crucial to England's chances.

"Tubs", as the Aussie skipper is known, is a fine tactical captain whose gambler's instinct has conjured some famous Aussie victories. With him at the helm, Australia keep winning important Tests. However, they lose them as well, which may not be the case should Steve Waugh, the hard flint at the heart of the

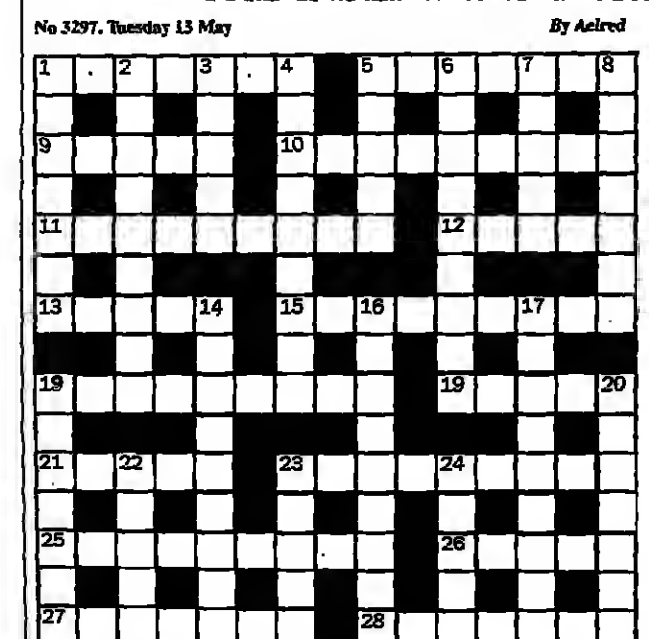
Aussie monolith, assume the position during the summer.

Whether he becomes captain or not, Waugh is still the humblest batsman on the planet. England's bowlers will do well to remember that over the coming months.

AUSTRALIAN TOUR SQUAD: M A Taylor (capt), I NSW, LHS, AUS, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100.

Australia tour itinerary	
MAY	19-23 ENGLAND Second Test (Lord's)
15 Duke of Norfolk's XI (Round)	25-27 British Universities (Oxford)
17 Northamptonshire (Northampton)	28-30 Hampshire (Southampton)
18 Worcestershire (Worcester)	
20 Durham (Chesters-Streets)	
22 England, first one-day international (Headingley)	3-7 ENGLAND Third Test Old Trafford
24 England, second one-day international (Lord's)	8 Minor Counties (Leamington)
25 England, third one-day international (The Oval)	12 Scotland (Edinburgh)
	16-18 Glamorgan (Cardiff)
	19-21 Middlesex (Lord's)
27-29 Surrey, Sussex or Gloucestershire (to be confirmed)	24-28 ENGLAND Fourth Test (Headingley)
JUNE	
31-2 Derbyshire (Derby)	3-4 Somerset (Taunton)
5-9 ENGLAND First Test (Edgbaston)	7-11 ENGLAND Fifth Test (Trent Bridge)
11-13 Northamptonshire, Nottinghamshire or Durham (to be confirmed)	14-18 Kent (Canterbury)
14-16 Leicestershire (Leicester)	21-25 ENGLAND Sixth Test (The Oval)

## THE INDEPENDENT CROSSWORD



- ACROSS
- Bloated girl cries with pain on being turned over (7)
  - Range of vessels seen in West of England river (7)
  - Wants to be observed returning, carrying daughter (5)
  - Backing musical run with organised account (9)
  - No art badly displayed in part of book would secure support (9)
  - One barely seen accepting good prod (5)
  - Twisted roots leading to trunk (5)
  - Get rid of talking bird that's among the best (9)
  - Local government have building in back street (4,5)
  - Empty accommodation to sell on the stock exchange? (5)
  - Down, a direction from
- DOWN
- Components for making narrow land a child's play area (7)
  - About to lose game deliberately this could give runs away (9)
  - See about animal which could be caught by this (5)
  - Neil in fancy apron, quite the reverse of this type (9)
  - In poetry, always, that is

Monday's Solution

PULLDOWN FLEAPUT  
A O F U E U O O  
SAUNTER REPURPOSE  
S N E N A H E N  
INGENERAL ROMEO  
O S T E  
NURSE UNNOTICED  
P N A E  
REMANINDER SEPPIA  
A O R A T  
SONIA DEADMARCH  
C A I L I E  
INTERIM INDIANA  
N E D U O A K R A  
DRESSER NOBWEAT

which you could get this? (5)  
Twice taking time, badly receive a policeman (9)  
Mexican food chain deal's off (9)  
Couldn't do better to catch a wild animal (5)  
People would be in the wrong causing such suffering (7)  
Way-out old time branch of forces (7)  
Components for making narrow land a child's play area (7)  
About to lose game deliberately this could give runs away (9)  
See about animal which could be caught by this (5)  
Neil in fancy apron, quite the reverse of this type (9)  
In poetry, always, that is

weird (5)  
Litigant has clear argument (9)  
Nymph could provide new road publicity (5)  
Former spouse, English, has to receive note from Bible expert (7)  
Second possibility implying first is foolish? (9)  
During part of weekend I had a meal, not getting enough (9)  
Hate having no time in ease (9)  
You could fly off at this in endless anger, explosive all round (7)  
By entering in that place you could find the stage (7)  
Wallpaper etc. made correct inside (5)  
Plan day on simple craft (5)  
Old measure of copper had effect (5)

## Lancashire losing grip

## JON CULLEY

reports from Old Trafford  
Lancashire 274-6  
Worcestershire 274-8  
Lancashire win by losing fewer wickets

Lancashire, winners for the last two seasons, are effectively out of the Benson and Hedges Cup despite a last-ball victory at Old Trafford yesterday that left them technically still in the competition.

Even if Warwickshire defeat Derbyshire today in a match held over because of the weather, leaving three counties in Group A tied on six points behind Yorkshire, Lancashire's run-rate is so inferior to Warwickshire's they could not go through.

The holders won yesterday by losing fewer wickets after a wicket off the last ball left Worcestershire's 30-over score equal to Lancashire's, an unexpected outcome given that the Midlands side had entered the last 10 overs needing a relatively modest

target of 49 with six wickets in hand.

But after a brave catch by Michael Atherton had taken Gavin Haynes out of the equation, Worcestershire went to pieces, giving away three wickets for 13 runs between the 42nd and 45th overs, David Lesterdale running himself out and Steven Rhodes going low in his first ball.

The target came down to nine off the last, in which Warren Akram proved as difficult to get away as Ian Austin had in the previous one. Philip Newport ran two off the first ball and then Washbrook stand, endangering tram passengers. Moody earned the Gold Award.

Lancashire's innings, in equally conditions, began with another failure by Atherton, whose form must be giving the watching England coach, David Lloyd, cause for concern. His tally with the bat this season stands at 95 from seven innings. Happily, Jason Gallian, with 59 off 55 balls including 10 fours, and Neil Fairbrother, with a typically hard-working unheated 75, were in much better form.

ion steps. In the last three seasons, their bowlers have conceded 649 runs to him in all forms of cricket.

He allowed them no respite yesterday in a partnership of 131 in 17 overs with Graeme Hick, setting Worcestershire up nicely to chase the total of 274 for 6 that accrued to Lancashire after the decision of their acting captain, Wesim, to bat first.

Moody's innings included 11 fours and three sixes, one of which, during a sustained assault on Gary Yates's off-spin, cleared the two-tier Statham-Washbrook stand, endangering tram passengers. Moody earned the Gold Award.

Lancashire's innings, in equally conditions, began with another failure by Atherton, whose form must be giving the watching England coach, David Lloyd, cause for concern. His tally with the bat this season stands at 95 from seven innings. Happily, Jason Gallian, with 59 off 55 balls including 10 fours, and Neil Fairbrother, with a typically hard-working unheated 75, were in much better form.

## 'Tigermania' engulfs Woods

## Golf

In his first post-Masters golfing appearance, Tiger Woods conducted a four-hour clinic and exhibition for hundreds of young players on Sunday, answering their questions about his life since his remarkable 12-shot victory at Augusta.

Woods, joined by his parents Earl and Kulida, said he was enjoying the worldwide attention generated by his record victory, but was saddened by some of the media stories and coverage of his private life.

"I never dreamt Tigermania would be like this, but I think this is great for the game of golf, because it's bringing all of you into the game," he said.

On Thursday Woods will play his first PGA tournament in five weeks - the GTE Byron Nelson Classic in Dallas, Texas. He is also scheduled to play the following week at the MasterCard Colonial at Fort Worth, Texas. The latter event will be Woods' first face-to-face meeting with Fuzzy Zoeller, who generated a storm of controversy with his post-Masters comments about Woods.

Woods was introduced at the invitation-only clinic by Byron Nelson, the golfing legend who gave his name to this week's PGA event.

"I said the first time I saw Tiger play, he was the best 15-year-old golfer I had ever seen. He was the best 16-year-old, 17, 18, 19, 20 and now 21-year-old golfer. I've never seen anything like it," Nelson said.

The tournament is totally sold out for the first time in its 30-year history, with officials expecting crowds to exceed 100,000 on both Saturday and Sunday.

**dunhill**

The Alfred Dunhill Londinium Watch

Model shown bi-colour, DO 4559L  
Londinium range from £795.  
Available in Steel, Bi-colour and 18ct gold versions.

Alfred Dunhill watches are available at selected branches of the Goldsmiths group, one of the country's leading retail jewellers with over 120 branches nationwide. For details of your nearest stockist or a brochure call free on 0800 G.O.L.D.S.M.I.T.H.S. (0800 465326).

**G.O.L.D.S.M.I.T.H.S. & WALKER & HALL**  
THE NAME OF A FINE JEWELLER